

Maclean's

SPECIAL REPORT

A Prescription For Medicare



.....

**A 10-POINT PLAN
TO HEAL THE
HEALTH CARE SYSTEM—
WITHOUT SPENDING
MORE MONEY**



I GOTTA
ME.



Maclean's

CANADA'S WEEKLY INTERNATIONALIST
JULY 31 1998 VOL. 102 NO. 31

CONTENTS

3 EDITORIAL

4 LETTERS

6 OPENING NOTES/PASSAGES

9 COLUMN: BARBARA AMEL

10 COVERS

20 CANADA

Western recipients are among the hardest hit as Quebec Premier Michel Marois slashes \$1.9 billion from government spending; Robert LaSalle loses an appeal against his second-degree murder conviction in the noisy killing of his 13-year-old daughter, Tracy, controversy surrounds the possible introduction of a genetically engineered hormone for dairy cattle

21 BACKSTAGE OTTAWA: ANTHONY WILSON-SMITH

26 WORLD

32 PEOPLE

34 BUSINESS

The prospect of economic growth and higher interest rates rocks North American stock markets; Canadian Airlines' sponsorship of Calgary's Saddledome influences its associated uniforms

39 THE NATION'S BUSINESS: PETER C. NEWMAN

40 SPORTS

Scratching gold pros pursue their dreams on the Canadian Tour

41 JUSTICE

The murder trial of Susan Smith, who has admitted to drowning her two young boys, evokes a small southern town

42 FILMS

46 BOOKS

Jeffrey Masson's new book on sexual feelings involves his reputation as a professional debunker; Gill Sharkey's *New Province* offers an exceedingly sensitive take on middle and old age

48 FORTHCOMING

A PRESCRIPTION FOR MEDICARE

10 Spending cuts, reduced services, privatized care—the elements affecting medicare certainly sound ominous. But the prognosis may not be so bleak. With creativity and political will, say the experts, the measured national health system can be saved—and even improved without spending more money. Medman's offers 10 ways to safeguard the health of medicare



Call to conscience

26 As death and danger marched through the six UN "safe havens" in Bosnia, Western leaders demanded an end to Bosnian Serb aggression. But the honor of the democracies, and America's leadership, are already damaged.

A leap of faith

42 Filmmaker Mira Shao and actor Sandra Oh, both Asian-Canadians, have been at odds with their parents' values and with the risks of ethnic casting. Those themes are central to Shao's sparkling semi-autobiographical new film, *Daddy Daydream*, which stars Oh as a Chinese-Canadian teen between two cultures



OPENING NOTES

A yen to please the clientele

Visitors from Japan are now the biggest crowd of tourists per person, to Canada's \$89-billion tourism industry. More Americans than Japanese still visit Canada, but Japanese tourists, on average, spend more money in a shorter period. Statistics Canada says that nearly 500,000 Japanese tourists visited last year, staying an average of 8.2 nights and spending a typical \$1,140 per person. Accordingly, says Canadian travel agent John H. Hume, "Japanese tourists are the Four Seasons of Tourism." For instance, Japanese guests receive maps in their own language and can use jiki, a Japanese credit card. For the past three years, Delta's West Coast fleet has had pre-empted signs and menus written in Japanese, while the restaurants offer such traditional Japanese breakfast foods as miso soup, rice and pickled vegetables.

Yoshiaki Kawaguchi, a lot of the industry in my starting to work in the 1970s, and I was in the 1970s, director of marketing for the Canadian Tourism Commission's Japan-Pacific division. To help the industry the 1970s (formerly Tourism Canada), in conjunction with the Hotel Association of Canada, in developing studies, materials and training sessions to refine hotel employees' cross-cultural sensitivity in the meantime, the Association's summer newsletter has tips on how to deal with Japanese guests. Japanese are not so particular about food, but they are very particular about drinking plenty of soups with their hosts, in most shops, and staff who think about them as well as possible for using the book under "Bartender Plus," the pamphlet suggests that hotels provide Japanese tea service upon guests' arrival, have a chapel, or only local food, for ritual marriages, and in Japan, provide a "Japanese room" with a tatami mat, a sliding door-style example of the old design. The contents of the pamphlet are:



Comparing the price of shelter

It will come as no surprise to anyone who has ever tried to find a two-bedroom apartment in a nicer part of either Toronto or Vancouver that they are the most expensive cities for rental accommodations in Canada. Toronto leads the way, with rent on such a unit going for \$1,460 a month (\$81), compared with some of the world's rental hot spots, living in Canada is a comparatively bargain. A random selection of how typical rents in the most desirable neighborhoods stack up in Canada and abroad.

	\$2,290	\$
--	----------------	-----------



A new assignment for Mulroney

Once again, *Firma Mulroney* has shown that it is not shy about taking on a challenge. The former prime minister has been named co-chairman of an internal investigation into criminal allegations of price fixing against U.S. food giant Archer-Daniels-Midland Co (ADM). Mulroney, now a partner at a Montreal law firm, became an ADM director in 1991, a position that pays \$24,000 a year, plus as much as \$136,000 for serving on board committees.

world's biggest miller of corn, with 14,000 employees and revenues of \$15.5 billion last year, it also owns several Canadian grain mills and 5.78 per cent of Conrod Black's Vancouver-based Hollinger Inc. And, undoubtedly it is no stranger to the company. In 1978, ADM was convicted of conspiring to fix prices of products being sold to a U.S. federal sentencing program for underdeveloped countries. The current scandal was triggered when a *Whisper* producer went to the rice with other allegations of price fixing. After a three-year investigation, the IRS announced last week that a federal grand jury in Chicago was investigating "possible violations of federal antitrust laws and related crimes."

After a board meeting last week, the company said that it was setting up a nine-member panel of NCA outside directors to conduct its own inquiry. Among the panel members is Winnipeg native Ross Johnson, the former president of its Nebraska Inc., while Multinac's co-chairman is John Daniels, 73, a retired Asea chairman.

A salmon by any other name

Sometimes it seems that the two sides in the Canada-U.S. salmon war are so far apart that they do not even speak the same language. When it comes to the several different species of fish in dispute, they do, in fact, seem to swim in different pools: fishermen in Canada and Alaska each have different names for most of the salmon involved.



 Canadian	 U.S.
Chinook	King
Sockeye	Red
Coho	Silver
Clam	Dog
Salmon	Marine

Only the Steelhead goes by the same name in all waters. But whatever the name, as Pierre Trudeau once put it so eloquently: "Fish swim around."

 Canadian	 U.S.
Chinook	King
Sockeye	Red
Coho	Silver
Clam	Dog
Pink	Morone

Testing plastic for the cashless society

The cashless community is coming, and the country's two biggest banks, along with the Royal Bank of Canada, are striving for the typical Canadianer to test their plastic substitute for paper money. If the Royal Bank of Canada and the Commerce Imperial Bank of Commerce have their way, instead of cash, about 50,000 Canadians next year will be using a British-built system known as the Moxdex Electronic Cash System. It looks like a standard black credit card, but carries a tiny computer chip that can be loaded up with electronic cash at a bank machine, or over a properly equipped telephone. When a Moxdex cardholder wants to pay for the groceries or any other purchase, the card is slipped into a special reader.

PASSAGES

CONVICTED

Baseball Hall of Famers Duke Snider, 66, and Willie McCovey, 57, to increase the evasion; after pleading guilty in

Brooklyn, N.Y., federal court. Snider, the star center folder of the Brooklyn Dodgers in the 1950s and a broadcast commentator for the Montreal Expos from 1973 to 1987, admitted he failed to report more than \$143,000 in income from card shows and appearances between 1984 and 1993. Mr. Covey, a former San Francisco Giants slugger who hit 521 home runs in 22 seasons, admitted to \$98,000 in unreported income from 1988 to 1990. Both face fines of up to \$250,000 and possible half-year prison sentences.

QED: Canadian folk musician **Bob Carper**, 50, of brain cancer, in Fortin, Oct. Although he released only one album, *Silent Passage*, Carper's songs were often recorded by other artists.

DEO: Italian cyclist Fabio Casartelli, 24, after crashing and fracturing his skull on a steep descent during the Tour de France as it was proceeding through the French Pyrenees. Casartelli, the gold-medal winner in the 1990 Olympic road race in Barcelona, was not wearing a helmet.

RECOVERING: The Queen Mother, 94, from a successful cataract operation on her left eye, at Clarence House, her London home.

DEB: Writer May Sarton, 83, whose early novels were published in 1939 and her latest collection of poems last year, of cancer, in York, Me., where she lived. Although best known as a poet and heroine to feminists, she also wrote 20 novels, screenplays and numerous works of nonfiction.

DEB: British poet and essayist Sir Stephen Spender, 86, after collapsing at his London home. An outspoken defender of free expression, Spender rose to prominence in the 1930s as a left-wing thinker, but later became disillusioned with communism.

Maclean's
DEALER OF EXCELLENCE

MACLEAN'S CONGRATULATES

MYRON MACKAY

THE PRINCE EDWARD ISLAND AUTOMOBILE DEALERS ASSOCIATION 1995 MACLEAN'S DEALER OF EXCELLENCE AWARD WINNER



Maclean's is pleased to salute Myron MacKay, president of Fair Isle Ford Sales Limited in Charlottetown, Prince Edward Island.

Myron began his automobile career in 1963, in the clerical departments of the Ford Motor Company in Halifax. He worked his way up from field manager in 1967 to business manager in 1969 and then became a sales planning analyst in 1971 in Oakville, Ontario. Since 1973 he has been president of Fair Isle Ford in Charlottetown.

Myron has been a member of CADA for 23 years. Currently he is the director of the Prince Edward Island Automobile Dealer Association. He is also a National Council Representative for 1995 - 1996.

Fair Isle Ford has proven to be an award-winning dealership under the leadership of Myron, winning the Distinguished Dealer Achievement Award three times, and the 1994 Calendar Year Truck Leadership Award.

A family man concerned with the education system, Myron has chaired fundraising committees for university, community college and church campaigns. He has also been a director of the Special Olympics and Junior Achievement.

Active in his community, Myron is a corporate councillor for the P.E.I. Hospital Foundation, the local United Way, and is a member of the Greater Charlottetown Area Chamber of Commerce.



Maclean's
DEALER OF EXCELLENCE

**Congratulations
Myron MacKay**

USING



In defence of elitism: benefits for everyone

BY BARBARA AMIEL

Last month, the Royal Opera House in London held a royal fund-raising gala with tenor Plácido Domingo singing in a production of Verdi's *Stiffelio*. The performance took place on the hottest night of the year. Unbeknownst to London's Royal Opera House, it was not so coincidental. Fortunately, there was not a royal in sight and no announcement was made that gentlemen could take off their dinner jackets. Turnout erupted in the stalls, and suddenly the vast sea of black became white, touched with glimmering red suspenders. The orchestra was in short-sleeved shirts. The performers were stuck in their costumes, the long black coats of a fondamentalist 19th-century Protestant sect.

Afterward, Señor Domingo told me that he had never before sung under such horrible circumstances and that in the first act he was so overstressed that he wanted to stop the orchestra and say "This is too much!" and every woman there would have settled for him stripped to the waist. He didn't stop singing, of course, and he and the soprano Catherine Malfitano gave one of the most astonishing performances I have ever heard. This was louder—faster, scier and singing that transported one through city skies to a world on the other side of fields, a realm where the soul was made manifest, and salt tears that had nothing to do with perspiration rolled down my pulpy red face.

The applause wouldn't stop. In the street outside, 5,000 people watched the performance relayed on a huge screen. As carpets of roses and lilies pulled the stage, I remembered a donation to the evening that had come to me in my role as a Royal Opera House trustee from an Italianman who would, even then, "Personally, I don't much like opera," wrote Sir Frank Koenig, "but my wife and I think it is a very good thing."

England was a generous cheque. My maid went back to where I was editor

We are losing sight of certain needs when people argue that to give public money to the arts is wrong because we must first build more hospitals

of *The Toronto Star* 10 years ago and I wanted the newspaper to support an opera house rather than the *Star* 7000. With Paul Godfrey as our publisher, this was clearly an impossibility. But now that Ontario has changed its government, it-Gee Hal Jackson will no longer have to privatize the capitalist screen of the star and he might get back in pursuing one of his own grand visions: that there be an opera house for the city. This will be greeted by cries of elitism.

Opera, throughout the English-speaking world at least, is elitist, but this elitism is not based on social or intellectual class. Instead, opera is elitist in the sense that it is rejected by a narrow band of people. That is the difference between art and pop culture. Pop culture can be done slightly and well, and, by definition, because of its popularity, it is self-sustaining.

Then there is a narrower group of sensibilities to which opera belongs, which crosses all class and economic lines. This narrower sensibility is not the taste of a power elite or of the rich or cleverest people. It is not restricted to the *Forbes* 500 or the *Chambre de Commerce*. But in the

same way that physical beauty, ability or power have a narrower distribution among all classes of human beings, so the love of fine arts is pulled by a narrower development in the human brain.

It is silly to deny that opera is a narrow taste, and it would be silly to deny that there is anything wrong with cultivating human qualities that are only accessible to a narrower band of human beings in any human endeavor. We should not create kindergartens, fire engines and pure sciences or art because they are not popular.

Behind the narrow band of such elitist interests in the arts is an economic reality—these interests usually cannot be financially self-sufficient. But when people argue that to give public money to the arts is wrong because we must first build more hospitals or put more seatbelts in buses, we are doing sight of certain needs. Looking after our all needs and making the world safer for our bodies is clearly important.

But this is not a competition. Maclean has clearly recognized that, looking after the human mind and spirit is just as important. This is not simply a question of the therapeutic value of music soothing the savage beast, though that, too, is true. There is a dimension of the entire human being through the fine arts. The great art in this music do inspire us, and human beings have always yearned for music and music is often more than our societies would ever have had through architecture and painting and ballet. The benefits of a society with a symbol and cultural devotion are incalculable, even for people whose receiver is not directly tuned to the same wavelength.

In the past, the great arts had patronage. Now, together with individual philanthropists, we have the government or the lottery. How much public money can be distributed to the arts is clearly a matter of timing, and from time to time the heavens have to be put on because the gentleness of the country is not enough. But our society has come to a crossroads where we have to choose between a crossroads of deep deficits, which we are now paying for. When Lord Keynes propagated his theories about deficit spending, he was asked what would happen in the long run. We are now in the place of the famous question: "In the long run," he said, "we'll all be dead." ... Also, the long run is best, and we are alive. There is a great difference between saying that this may not be the time to spend on the arts and saying that this spending is illegitimate.

Getting funds to opera when you yourself don't like it is akin to giving to a charity for an illness that you will never get. My age does not stop me from contributing to research for childhood leukemia, nor my race from giving hands to fight sickle cell anemia. The world will be a better place for me if young black children don't have to live with leprosy, and it will be a better place for all Canadians if Toronto, the cultural capital of English Canada, can have opera and ballet all year round.

BY MARY JANIGAN

Perhaps medicine has become such a proud and enduring symbol of our heritage because so much has slipped away. Governments have closed military bases, pared cultural grants, tossed back old-age pensions and the constant wail of that failed national dream, the railway. But for almost 40 years, as their support for older institutions has faltered, Ottawa and the provinces have ensured that medical and hospital care remain free. It is a principle enshrined in the Canadian constitution that the state will not deny financial resources to any citizen. But the health of the nation has become so intertwined with the state, so intertwined and acquired by their promise of mutual support. As Queen's University economist Tim Courchesne notes, health care has become the symbolic railway of the 21st century, replacing rusting steel with resilient plastic: "Medicine means pooling risk and sharing," he says. "And that is our whole history."

Weighted with symbolism, charged with matters of life and death, it is no wonder that the health of a nation has become so intertwined with the state. The last of its attempts certainly sounds more novel. Over the next two years, Ottawa is cutting about one-third from the \$16.4 billion in cash that it now transfers annually to the provinces for health, presecondary education and welfare. The federal government has relied on that large cash contribution to discourage provincial sector lords and extra aidings since 1984, when it passed the Canada Health Act, it has threatened to withhold one dollar for every dollar that patients are required to pay for "medically necessary" services. But as Ottawa's financial contribution wanes, its power is eroding. As Courchesne early observes, Ottawa has broken the golden rule of federal-provincial relations: "If you want to make the rules, you have to supply the gold."

In open defiance of Ottawa's wishes, cash-strapped provinces are providing an indication that would soon have been politically unthinkable. Alberta has a dozen private clinics that offer eye operations or



Doctors at St. John's Mercy Hospital in St. John's, Nfld.: life and death

CUTS AMONG THE NATION

A sampling of health-care cuts since 1992:

BRITISH COLUMBIA

One hospital and 900 acute-care beds closed.
Museum dispensing fee for prescription drug program increased from \$7.15 to \$7.50.

ALBERTA

Five hospitals scheduled to close by 1997, eight hospitals to be converted to community health centres.
Refugee benefits reduced; health care premiums increased from \$40 to \$25 per month for a single person.

SASKATCHEWAN

Eighteen hospitals converted to health centres.
Removed from coverage: children's dental program, rehabilitation services, eye exams for adults. Ophthalmic services and adult-onset dementia reduced.

MANITOBA

Seventy-five hospitals closed.
Reduced services: eye examinations, adult-onset dementia, children's dental program, rehabilitation services eliminated.

ONTARIO

One hospital closed, 14 others merged; about 4,000 beds closed.
Removed from coverage: lacto-

neurotic electrolysis for removal of facial hair, newborn circumcision. Out-of-country emergency hospital coverage shifted from \$400 to \$200 a day.

QUEBEC

Seven hospitals set to close, six others to be converted into long-term care facilities. Total of 2,900 beds closures in the next three years.
Reduced from coverage: eye exams for persons 65 through 64, children's dental program.

NEW BRUNSWICK

230 hospital beds closed.
Removed from coverage: newborn circumcision, newborn nystagmus, sterilization reversal.

NOVA SCOTIA

One hospital closed; another shut its acute-care beds; three hospitals converted to community health centres.
Removed from coverage: eye exams for adults.

PRINCE EDWARD ISLAND

One hospital to be converted to community health centre.

NEWFOUNDLAND

Three hospitals set to close.
Removed from coverage: driver's medical exams; orthopaedic, newborn circumcision, eye exams.

A Prescription For

PHARMEDICARE

Ten ways to heal the health-care system

scans of soft body tissues, such as lenses using a technique known as magnetic resonance imaging; patients pay varying portions of the total bill that would be completely covered if the procedures had been performed in public institutions. Although federal Health Minister Diane Marleau has vowed to cut Ottawa's payments if those private charges are not stopped by Oct. 15, the province has refused to back down. Alberta's new deputy health minister, Jane Pallas, counters that the clinics simply respond to consumer demand (page 38). A mere decade ago, Ottawa would likely have joined in the champion of medicare as a dramatic step of will. Now, although Marleau may impose the penalty, she is more likely to back down in the end—because Ottawa and the provinces have agreed to defuse together what constitutes a "medically necessary" service. The last is expected to exclude many services that the clinics provide; Canadians may seek free more charges for care. Says University of

Toronto health policy professor Risto Delcor: "Unfortunately, it is usually easier to shift costs than to control them."

No wonder, at the bottom of the fiscal chain, health providers and patients are feeling the pinch. Almost every province has stopped or plans to stop its overall budget for physicians. Ontario, for example, has cut \$3.9 billion for its doctors in 1995-1996 (down from \$3.9 billion in 1992-1993). If the tab exceeds that amount, each doctor will face a portion of that loss until the excess is recovered. Hospitals, in

turn, are setting strict limits on the number of individual procedures such as cancer operations that they will perform each year. Anxious patients often wait months for surgery, unaware of their choices or their chances. As Dr. Bruce Lefkowitz, president of the Canadian Medical Association, says: "We will be asked to do more and more with less resources with an aging population, and with technology and medicine more expensive than they used to be."

The sheer size of the challenge is mind-boggling. What began as a federal-provincial program to share hospital costs in 1967 has spiralled into a multibillion-dollar business that covers medical treatments, drugs for the elderly and well-served populations, institutions such as long-term care facilities, and health-care workers from midwives to chiropractors. Canada's spent \$72 billion on health care in 1990—16.1 per cent of its gross domestic product. The 1993, it was 7.3 per cent of GDP. Governments picked up about 72 per cent of that cost; individuals or insurance firms paid the rest. Only one nation among the 25-member Organisation for Economic Co-operation and Development spent a greater share of its wealth on health care: the United States, at 13 per cent—although the quality of U.S. care, based on infant mortality and life expectancy rates, lags considerably behind Canada.

With so much money at stake, it is not surprising that governments are battling; providers are distressed and patients are concerned. But the prognosis is not as bad as the pessimists fear. Medicare may be ailing, but it is nowhere near death's door. Most health-care economists believe that, even taking the current road

of spending cuts into account, there is more than enough money to meet current needs. Japan, for example, spent only 6.6 per cent of GDP on health care in 1991—but the Japanese live longer than Canadians (an average of 79 years, compared with 76 years in Canada) and their infant mortality rate is lower. Many experts even maintain that medicine can flourish well into the next century. Despite the increasing number of elderly and dwindling financial resources, As Sen Pyle, CEO of the Greater Victoria Hospital Society, an organization that comprises three local hospitals, vividly told Marleau: "There is enough money in the system. What it needs is strong management and strong leadership to reform it." Like a federalized gross, reform can assure many shays. From Newfoundland to British Columbia, provinces are boldly experimenting with various approaches. Some are controversial, such as Alberta's flirtation with private care. Some are plain common sense, such as an increased determination to keep elderly people in their homes. There is, of course, no magic "silver" solution. But among the intriguing, often contradictory, approaches, here is a list of 10 ways to safeguard medicine's health:

1. Ensure that government remains the principal payer

It is fashionable and often practiced to talk about privatizing many services that governments provide. So it is perhaps inevitable that the nation has opened its medicine. British Columbia, for example, allows private clinics to perform soft-tissue scans—although in late June the province introduced legislation to prevent private money from being used to finance hospitals. Alberta and British Columbia reason that the health-care system is short of funds—so patients who have the money should be able to use competing facilities.

The problem, however, is that governments do not provide health care; they lay it free providers such as doctors who bargain with a

well, and these providers, in turn, have a captive market. Consider the system: the usual market rules do not apply. Most medical services are available to everyone who needs it. The user cannot be priced out of the market. The user often does not even know if he or she really needs the service; that is the job of the provider. In such circumstances, when it is difficult to curb the patient's demand for service, most health-care experts say that it is more useful to control the suppliers. And, they say, that means governments should preserve their hold on the purse strings as much as possible—because only a single payer has the power to counterbalance the demands of a powerful provider such as a provincial doctors' association. A single payer is also in a better position to encourage internal competition among such suppliers in drug companies.

If governments relinquish their control, health-care experts warn that costs could increase dramatically—only they have in the mainly private American system. That would penalize users—and it could divert resources away from other goals, such as education. "Most of the advocates of privatization are saying that we have got to get more money into the system," says University of British Columbia economist Robert Evans. "But that is essentially saying, 'Abandon the target of cost control, and let's keep this system expanding.' If you want to manage your system more lightly so as to live within your constrained means, then you have to stay with a single payer."

Surely, when the goal is to restrain costs, free markets are often counterproductive—as experience in Saskatchewan has illustrated. When that province opened a \$1.50 fee for each visit to a doctor's office between 1988 and 1991, there was an 18-percent decline in visits by low-income families—three times the average reduction. The annual increases in gross payments for medical services, however, remained roughly similar to those in the other six provinces. The evidence suggests that doctors simply offered more services for their middle-income patients to compensate further loss in income. It appears, however, that users who want when the goal is to change specific patterns of medical behavior in the early 1990s, when that has been to change \$1.50 to an unnecessary emergency ward visit, the use of cheaper "outpatients" community clinics jumped dramatically.

2 Change the way doctors are paid

Two-thirds of Canada's 10,000 physicians are paid mainly through fees for each service that they perform, but health-care experts argue that there are too many doctors—and they order too many services. The problem began when the 1964 Royal Commission on Health Services estimated that the population would hit 35 million in 1981—instead of the actual figure of 28 million. As a result, it called for the creation of five new medical schools and the expansion of several existing

schools, predicting that there would be one doctor for every 450 people in 1990. Instead, there was one doctor for every 336 people. And those doctors were very, very busy. During the 1980s, the number of patients grew by almost 30 percent—but the number of medical services expanded by more than 50 percent. There was also a shift from cheaper to more expensive services. Ontario doctors, for example, submitted more bills for intravenous, rather than minor, consultations, which added about \$8 to the \$35 cost of a visit. (Such trends have leveled off in the 1990s.)

The provinces are belatedly tackling those problems. In the fall of 1990, in a concerted effort, they reduced the number of places in medical schools by 13 percent. They are also experimenting with new ways to pay doctors. The goal is not to penalize well-served family physicians—who earned an average net income of \$128,000 in 1990. Instead, the provinces want to correct an often perverse system that rewards more money to doctors who split patients through their offices, inflating their billings by performing multiple services instead of providing nursing care. Some provinces, including Ontario and Quebec, have put the doctors in their community health director, salary Ontario pays a set annual fee to a handful of group practices for each of their patients—regardless of the number of services. "I



Pyke in Victoria: "the system needs strong leadership to reform it"

GETTING OFF THE CRITICAL LIST

Sorting health budgets are taking it increasingly difficult for local consumers to keep their own hospitals. But the aging and arrival trend of Springfield, Miss. (population 3,500), only point the way. In 1990, the provincial health ministry announced a 10-per-cent cut to the budgets of health-care facilities, a decision that put the survival of Springfield's 25-bed Green Cross Health Care Center in jeopardy. Instead of fighting the cuts, administrators at the center—which had only a 50-per-cent occupancy rate at the time—actively transformed the institution in a way that allowed the town to keep its crucial 24-hour emer-

gency and ambulance services. They turned it into an institution dedicated primarily to long-term care for seniors, and reduced the number of beds to 21. They continued negotiating with the nearby 100-bed Valley Vista seniors' complex, and they built 85 new cottage-style residences for the elderly. The result: the center reduced its \$12-million annual budget by 35.55-00, kept essential services in place, and increased occupancy to nearly 100 per cent.

Health-care experts point to the Springfield example as a way that communities can find innovative solutions that allow them to maintain high local medical services—while assu-

ringing efficiency and avoiding duplication. In addition to the cottages and Valley Vista, the center now has four emergency beds, 16 long-term beds, six palliative care beds and two convalescent spaces.

Still, there has been a price for maintaining those services. For full elective surgery procedures, Springfield residents must now travel 100 km to a regional hospital in Grand Falls, but for many older people, such as 71-year-old retired logger and farmhand Melvin Blings, the long-term residence has been a godsend. "This is home," he says, gazing out of the window of his apartment room onto the picturesque waters of Green Bay. "This is what I want to see."

KATHRYN WELBORN in Springfield



Nurse Leta Melnick helps newborn at Ontario's North York General Hospital; usually

don't think one size fits all." But we do not want the clinical judgment rendered by the physician."

3 Improve the efficiency of hospitals

In 1983, Ontario's Stratford General Hospital confronted a wrenching fiscal cut. It did not have enough money to keep open all of its 310 adult surgery and medical beds. In desperation, the hospital's physicians demanded a novel system: they appointed nine fellow doctors to serve as "In" and "Out" Go. No physician could admit a patient to the hospital without the approval of that day's Dr. No. Two other physicians functioned, on a rotating basis, as Dr. Go, determining when patients should be sent home. Despite how radical the system, the system worked because it enforced stricter rules on admission and departure. No surgery was cancelled, no one slept in the emergency department and no one was shuffled to another hospital. When the crisis passed, the system stayed. The number of inpatient beds has been cut in half. As chief of staff Dr. Art Van Walbeek told Melnick: "Through such continued efficiency in bed use, we have been able to preserve all programs and services."

Efficiency experts maintain that hospitals can live with diminished budgets. New technologies such as laparoscopic surgery allow doctors to perform operations such as gall bladder removal through a small tube inserted with a new incision. Even five years ago, such surgery would have entailed a lengthy hospital stay; now patients often leave within several days. Such procedures, coupled with Strider's strict criteria, cut

expense contained quality care. It appears, however, that the greatest savings can be found when individual hospital beds are replaced with regional beds, especially if the new members do not feel deep attack work to individual institutions. In late June, Newfoundland announced the closure of three hospitals in St. John's by December 1998, with services to be consolidated in the city's remaining five facilities. Health Minister Lloyd Matthews acknowledged that the province's 31 individual beds had taught, last, to preserve better satisfaction—before the government unilaterally threw into right regional boards. "But what we are doing is for the right reasons, so that health care will always be there for people," he said. Melnick's.

4 Change who does what in health care

First, say most health experts, GPs should act as "gatekeepers": that is, patients should not be allowed to consult a specialist unless their family doctor refers them. (Patients can now consult specialists directly.) That approach would ensure better use of resources. Second, many experts believe that other professionals such as nurse practitioners could competently perform many tasks such as immunization and routine checkups that doctors now handle. A 1980 study by the California-based Kaiser Permanente Health Services Research Center, for example, concluded that nurse practitioners could do 45 per cent of doctors' work—at 36 per cent of the cost. The 49th state in that Canada has a lot of family practitioners—28,719 in 1994, one for every 1,654 people—compared with one for every 1,648 in 1978. Wants the University of

TAKING IT TO THE STREETS

In the early 1970s, budgets at Quebec hospitals were skyrocketing, but many people still were receiving no medical services. In addition, the province's provincial officials decided to move beyond hospital walls, out into the community, with an innovative program of preventive and primary care. "There was a growing realization that social determinants such as level of education, employment, poverty and nutrition had a tremendous impact on health," says Yves Vallancourt, a social policy specialist at the University of Quebec in Montreal. In 1972, the province opened the first Centres for Health Services (centres de santé) or local community health centres—to combine neighborhood social work and medical services. The theory was that assembling a diverse group of talented professionals—including doctors, nurses and social workers—under one roof would increase efficiency, lower expenses and prevent many problems before they began. "There were more and more people, decades later, experts say the system may serve as a model for community-based health care in other parts of the country."

The CLSC network now includes 181 centres across Quebec, employs 15,000 people and costs \$750 million, or about 0.5 per cent of the province's total \$15-billion health budget. All of CLSCs offer a wide range of basic health and social services—including home care, medical and mental health consultations, preventive, birth-control and AIDS clinics, and smoke testing, a popular health service in the city. Many centres also work closely with local groups such as women's shelters and employment agencies. "The strength of a CLSC is that it offers multidisciplinary services which are tailor-made to the different conditions, needs and resources of its population," says Dr. André Munger, president of the 350-member association of CLSC doctors.

The Quebec system has inspired similar community-based health initiatives elsewhere—especially in Ontario and New Brunswick. But the concept has its detractors. The fact that CLSCs are run locally, some critics charge, leads to wide disparities in the quality of their services. Still, experts predict that the current overhaul of Quebec's health-care system—including such cost-cutting measures as increasing day surgery and home care—will only increase the system's importance. "The CLSCs are on the leading edge of a marriage between medical and social services and the volunteer sector," says Vallancourt. "That's the way of the future."

MARK CAMPBELL in Quebec City

The province that invented
medicare is trying to save it

Saskatchewan's NEW IDEA

BY RAE CORRELL

It was one of the fiercest province-wide political battles in Canadian history because emotions ran so high and so rare was neutral. It raged around a single issue: the Saskatchewan government's introduction of North America's first state-run medical care insurance—universal and universal. The medical profession, told Premier Tommy Douglas that it would not co-operate, but the cc-s-undominated legislature passed the health bill anyway in November 1961. When it came into force on the following July 1, Liberals, official writers and doctors declared war on the government and its supporters. Foes said the plan would wreck the doctor-patient relationship. Supporters said it would make quality care accessible to all. Both sides railed at each other in newspaper ads, and circulated petitions. In cities and towns from Swift Current in the southwest to Prince Albert in the north, there were bottle-throwing rallies and flybites. Most doctors found their offices. Some left the province and never came back. The province recruited physicians in Britain, that after 30 days on strike, the doctors capitulated to an implacable government. "For me as a younger person," recalls now Premier Ray Romanow, now 65, "medicine was a passion."

It also proved to be contagious—by 1972, all the provinces and territories were covered, with Ontario sharing the costs, and a custom shielded from creeping medical bills passed the same Douglas to the fathers of medicare. Douglas died in 1980 and saw, 35 years after medicare's implementation, his once healthy offspring faces a gloomy prognosis. Generations, frequenters in the 1950s and 1970s, are barely able to get, soiled in hand, are looking frantically for places to rest. Medicare is a last resort. Some provinces have closed hospitals. Others ponder user fees. Still others want to exclude certain procedures from coverage. There is talk of private health.

But hold on—Saskatchewan has a new idea. It wants to regenerate health care by the 1970s registered power under Romanow in November 1991, when the government, faced with an annual deficit running at a bawling \$862 million, sent its medicare architects back to the drawing board. The result could well serve as a model for other provinces struggling to preserve public health care. "We're at the leading edge of saving it and making it," boasts Romanow. "Saving isn't really money, but money matters."

The pitting began in 1970, when the government closed 32 of the province's 232 hospitals and turned them into community health centres. It slashed spending on its 20-year-old, once universal drug plan almost in half by raising the scale of



■ Baltzan: preserving 'an assault on the doctor's working conditions'

patient-paid co-payments so high that now only the poor and the aged can really hope to qualify. And a divided Saskatchewan ran 20 largely autonomous health districts, each responsible for its own hospitals, nursing homes, ambulances, home care and public health services, such as vaccination inspections. The districts, run by government-appointed boards whose members will be elected starting this fall, get annual grants from the government based on the size and age breakdown of their populations. Doctors still send their bills to the headquarters of the Saskatchewan health plan in Regina as they have all along.

The changes upset many people. Rural communities grumbled about losing their hospitals and the jobs that went with them. Scores of nurses there and elsewhere were laid off. And a sizable portion of the province's 1,800 doctors complained bitterly because the district health boards are either co-opted or control the hospitals and, as a consequence, their admitting privileges. "Reorganization is an assault



■ Neoliberal end at Royal University Hospital in Saskatoon eliminating duplication of services

on the doctor's working conditions," says Dr. Marc Baltzan, president of the newly formed Saskatchewan and District Medical Association. "In Saskatoon, we had three hospitals and, if you get any delivery at one hospital or they weren't giving you what you wanted, you went to another hospital and struck a deal. All of a sudden your bargaining power over working conditions is dead." Next he claims, would the overhaul "make the health care system one dollar more efficient. It was undertaken so governments could cut and let somebody else be the kill jar."

But reform was clearly overdue. The province's population of about one million, thinly scattered over an area 350 times the size of the United Kingdom, had more hospital beds per capita than any other province, a legacy from the days when communities were isolated by poor roads from urban medical care. Yet hospitals are notoriously popular, and successive governments kept building them even after the roads got better. "Hospitals were built, and good things happened, in some cases four-hour, leading towards other Saskatoon areas," says Ched Wright, the 40-year-old chairman of the Saskatoon District Health Board. "There were fully equipped maternity wards in this province that had never delivered a baby and understandably so—why would somebody stop halfway here?" There were rural hospitals that lacked the two main ingredients I have always thought a hospital needed—patients and doctors. And that makes sense that I guess honestly sit their own food. There were eligible hospitals that had as many as daily occupancy of two, and they were always the same two. We had that all over Saskatchewan as a means of justifying beds being there." Even after the 12 closures, Saskatchewan still has nearly three times as many hospital beds per capita as the Canadian average.

Of all the districts, the Saskatoon health board was the first and

care—which now looks after 4,000 people, compared with 3,200 last year—only about \$25. Says Maltson: "Some days we're quite heartless, but with limited resources it is important that we be frank."

Being frank—and brutal—appears to be the motto. Says Maltson, a general contractor and mayor of Saskatoon from 1970 to 1988, says that the district has managed to cut \$11 million out of its budget for acute care, which is \$300 million for 1992. (The total district budget, including home care, long-term care, public health and the ambulance service is \$300 million this year.) The quest for further savings is relentless. The board led its antipathetic surgeons if they could spare in the kind of the day of the day of the day, which would, both provinces would be more economical. The viewpoint. The savings this year: \$100,000. "Next," says Maltson, "we're going to shop for prostheses."

While the government's drive to reshape medicine in the province of its birth has irritated doctors, nurses and opposition politicians, other experts believe the move has taken the right turn. Maltson-Horn Allen Beckman, a health policy specialist and professor of management and marketing at the University of Saskatchewan, says: "This is the model that all the provinces should move towards if they want the greatest effectiveness in the way they spend their health dollars." Impeding federal cutbacks "are going to demonstrate provincial health care systems," Beckman says. "Saskatchewan is more advanced than any other province in preparing to deal with that crisis."

For Romanow, the whole exercise is a crusade, a mission shaped and driven by history. Wearing a dark green golf shirt, beige slacks and brown loafers, he sits on his Saskatoon office against a backdrop of royal blue velvet drapes and gives a history lesson: asking from Douglas's conviction that medicine's first objective should be to

private money as an obstacle to medical and hospital services. "The second phase," Rottman says, "was to reorganize the whole system, the delivery system, based on the approach that good health means more than bricks and mortar, pills and medical technology; that you needed to shift, not just the level, but modern medicine could do nothing and get back to the understanding that the home was the first place." This is the "wellness" philosophy that has government's eye behind its health-care reform, based on the idea that preventing disease is better than treating sick people. Would the pension smokers drink drinks, drug abusers? "No," says Rottman, "because at the end of the day these has to be compassion." Then he adds "Some day, someone might force us to do something, but I do something, consider it at this stage in the game." Education and counselling, he says, would be better.

There is a whole lot of controversy when Rottman now says, "I couldn't live with myself, at the end of the day, the reforms we have undertaken should, pain, beavers, be, in fact, have been wrongly decided." Chop of the hand. "That would be, in effect, a betrayal of the legacy and of the very thing that we can't let go of," he says. "In the pursuit of this legacy, however, has proved to be a risk." In the June 20 provincial election, the new left 10 seats in rural Saskatchewan, probably, wouldn't say, because of the hospital closures and a feeling in these areas that health reform favors the cities.

As for the rest of the country, says Rottman, "what we need to do is to design an affordable health-care system for Canada which might be a little less, but it's uniform, it's comparable, it's universal, it's accessible, it's portable, it's publicly administered and publicly financed. But I don't see that happening. It doesn't have to be the Saskatchewan approach, but there should be some voices at the national level saying, 'Come, please don't let this happen.' Across the country, the voices, equally, are already, are already there for the thousands."

With DALE ESKIN in Regina

A NEW COURSE OF TREATMENT

She has spent much of her career giving advice—acting as a consultant to health-care professionals, lecturing students and writing books on medicine. But now it is time for Jane Fulton to see where, in her own words, "the rubber meets the road." Fulton, a 48-year-old mother of four, was appointed Alberta's deputy health minister in early July. Although she was born in Edmonton, she spent the past nine years at the University of Ottawa as an associate professor in the faculty of administration.

Fulton's insisting that "we have to make some tough choices"



Through her writing and public speaking, Fulton gained a controversial reputation as an advocate of private health care. In fact, she has argued that two-tiered health care already exists in Canada, that there are limits to what public funding can provide and that consumers should be free to purchase faster or faster services if they choose.

Opponents of privatization protested Fulton's appointment. But the new deputy minister seems a perfect fit for Alberta's Tory government, which is into its third year of budget cuts and health-care reform. Ottawa has threatened to cut its transfer payments in Oct. 15 unless the province stops private clinics from sharing both a facility fee to their patients and a physician fee to medicare. Ottawa claims that the practice contravenes the 1984 Canada Health Act, Alberta disagrees.

In any event, Fulton held in an interview with *Maclean's*, Ottawa should stop helping on that legislation. All the provinces believe the principles of the act, she insists. But as governments struggle to balance their budgets and Ottawa, she says, to transfer payments, there isn't a province in the country that can afford to meet the demands of the act 100 per cent. We have to make some tough choices."

The best way to save health-care dollars, Fulton argues, is to stop doctors from doing things that less costly health providers can do. Physicians should not be performing stitches, for example, when a nurse could do that. Similarly, she contends, they should not be counselling lonely seniors. "That costs way too much," said Fulton. "Those people need to go to a friendly drop-in centre."

Fulton says she supports universal insurance. Medicare, however, should cover "things that make the population healthy," such as child immunization, prenatal care and home-care nursing. And it should also "recede individuals in crisis or advance need," paying if someone has a heart attack or needs an organ transplant. For staying in hospital or elective, patients should wait—or pay extra. If they can be discharged from hospital a day after surgery and safely make do with therapy nursing care at home, Fulton says that is what medicine should pay for. At the same time, she feels, patients should be able to buy extra days in hospital if that makes them feel more secure. Fulton also says that people should be able to skip to the top of waiting lists if they are willing to "trade off their holiday to Las Vegas" and pay for prompt care.

Critics argue that the poor cannot afford to make those choices and that a private sector of medicine will eventually provide a top-notch service for the wealthy, while the public tier—degraded of the best physicians and much of its funding—will provide inferior care to the less well-to-do. Fulton counters that a two-tiered system already exists, given that many Canadians go to the United States for health services. They should have the right to buy the same services at home, she maintains.

Fulton argues that doctors would stay in the public system, even if there were more lucrative work in an expanded private health sector, because many choose their profession for "its academic nature, not because they're up-off artists." And whenever quality or technology improves in the private system, she says, regulations could require that they be implemented in the public system. Many disagree with her, of course. But as the debate over medicare intensifies, Fulton at least articulates a distinct vision—one in which privately funded medicine plays a more significant role.

MARY MCKINLEY in Calgary

Published in cooperation with Maclean's magazine, KIOSK: Maclean's contains every article and news report published by Canada's Weekly Newsmagazine over an 8 year period.

Maclean's on CD-ROM

Available exclusively from Micromedia

KIOSK: Maclean's

offers:

- Fulltext from March 1988 to date
- Easy search options • Enhanced indexing
- Quarterly updates • Classroom guide • DOS platform

KIOSK: Maclean's

on CD-ROM is an indispensable source for Canadian current events, and is the newest member of the KIOSK™ family of fulltext products available from Micromedia.

To order or for information on KIOSK: Maclean's call (416) 362-5211 or 1-800-387-2689



Micromedia Limited
Canada's Information People

20 VICTORIA STREET, TORONTO, ONTARIO M5C 2N6



Latimer outside his farm near Wilkes, Sask.: "I thought they could do better"

Latimer's setback

A convicted mercy killer loses his appeal

I Was, by all accounts, an emotional wrecking contest on what has been a relentlessly painful saga. As Robert Latimer waited last week for the outcome of his appeal against his second-degree murder conviction in the death of his 12-year-old daughter Tracy, a few close friends gathered to offer the family support. When the phone rang, Latimer answered in the kitchen while the others sat anxiously in the living room. With the news that the Saskatchewan Court of Appeal had unanimously upheld his conviction, Latimer's wife, Laura, broke into tears. But Latimer never wavered, maintaining the stoic appearance that has become his trademark throughout the case.

For Latimer, 45, the appeal court's decision temporarily ended eight months of a tortuous legal odyssey. After his conviction last November, Latimer was granted bail on condition he remain on the family farm near Wilkes, Sask., 150 km west of Saskatoon, pending the outcome of his appeal. Eilers after learning that he had lost, Latimer said goodbye to his wife and three children, and turned himself into the local detachment of the RCMP to begin serving his sentence of life in prison with no chance of parole for 30 years. "I thought they could do better," Latimer said tearfully that only a day later. Latimer was released from the secure facility in North Bay, Ontario, when the court extended his bail

condition pending the outcome of an application for an appeal to the Supreme Court of Canada.

In what has been a roller coaster of emotions, the news at the Latimer home ranged from stunned disbelief at losing the appeal to relief at not being sent to prison the next day. Ironically, those who shared the morning with Latimer drew strength from his steadfast calm, especially when they learned that the appeal had been lost. "It was very sad," said neighbor Tracy Woodrow, 33, who has worked on the Latimer farm for the past two years. "Laura started crying and he tried to comfort her and say it would be all right. Bob was very strong. If he wasn't, we all would have broken down." By week's end, Latimer's lawyer, Mark Brayford of Saskatoon, had formally filed papers seeking leave to appeal to the Supreme Court.

But in the wake of the unanimous 3-to-0 Saskatchewan appeal court decision upholding Latimer's conviction, there seemed little reason to believe that judicial opinion would change. For one thing, Latimer does not deny that he took the life of his daughter, who suffered from cerebral palsy and had been severely disabled since birth. Indeed, he gave

the police a detailed statement describing how on the morning of Sunday, Oct. 26, 1985, when the rest of the family was in church, he put Tracy in his truck and rigged a system that would catch automobile fumes into the cab. After putting her in bed and chaining she died in her sleep, Latimer later confessed when an autopsy showed that Tracy had died from carbon monoxide poisoning.

The appeal judges rejected the five grounds cited by Brayford. Those included the argument that the trial judge erred by not telling the jury that "necessity" was a defense for Latimer, who felt compelled to act because of his daughter's pain. The court ruled that necessity is a defense only when a person acts as self-defense. "The trial judge was correct in finding that there was no factual foundation for this defense," Justice Colin Taithe wrote in a 48-page decision. "In this case the appellant's life was not in peril." The court also left no latitude for a deliberate decision by anyone to take someone else's life, even someone as severely disabled and in pain as Tracy Latimer. "It does not advance the interest of the state or society to treat such a child as a person of lesser status or dignity than others," it said.

Disabled rights groups hailed the decision. Mel Graham, spokesman for the Winnipeg-based Council of Canadians with Disabilities, said the Latimer case has made disabled people aware of how fragile their rights can be. "The important thing for us is that the laws that are there to protect all of us are there for Tracy Latimer as well," Graham said.

The appeal court did leave a glimmer of hope for Latimer. While he agreed to his 50-page opinion with the decision to uphold the second-degree murder conviction, Chief Justice Edward Bayda found Latimer's sentence 10 years excessive to be overly harsh and unjustified punishment. "While the killing was a premeditated one, it had its genesis in altruism and was motivated by love, mercy and compassion in a combination of those virtues, generally considered by people to be life-enhancing and affirmative," Bayda wrote. Some legal scholars feared

Bayda's decision to support the conviction, but dissent in the sentence, to be unusual.

Whether Bayda's dissenting voice on the sentence will give Latimer automatic leave to appeal to the Supreme Court remained unclear. Still, many experts believe the Latimer case is a matter destined for the top court—and that the issues involved will eventually have to be dealt with by Parliament. At issue are criminal sentencing guidelines and how to handle, regardless of the circumstances or motives for the crime. Many believe that, ultimately, the case will prompt politicians to give the courts more latitude in sentencing people convicted of murder.

DALE KESLER in Regina



Tracy Latimer: carbon monoxide poisoning

Maclean's
DEALER OF EXCELLENCE



MACLEAN'S CONGRATULATES

A. CHARLES RICHARDSON

WINNER OF THE AUTOMOBILE DEALERS ASSOCIATION OF NEWFOUNDLAND 1995 MACLEAN'S DEALER OF EXCELLENCE

Maclean's is pleased to salute A. Charles Richardson, president of Avalon Ford Sales Limited in Mount Pearl, Newfoundland.

Charles began his automobile career in 1965, as an assistant general manager responsible for truck sales at City Motors on Corner Brook, Newfoundland. In 1968 he became general manager and share holder for Terra Nova Motors in St. John's. In 1990, he became the president of the winning dealership, Avalon Ford.

Based on new car sales, Avalon Ford Sales is ranked number one in market and geographical zone, among dealers of the same franchise. In fact, Ford Canada Sales Ranking placed Avalon Ford as number one in Atlantic Canada for total car and total delivery sales in 1994.

A member of the Canadian Automobile Dealers Association for five years, Charles has been a past president and director of the Newfoundland Automobile Dealers Association. This 1972 graduate of the GM University of Automotive Management has lectured on a number of automotive industry subjects at the Cibat Institute of Applied Arts and Technology.

Active in his community, Charles was director of the Newfoundland and Labrador Business Hall of Fame, the founder of the Gander Jaycees, and a boy scout leader. Currently, he is the director of the Canada Games Park Commission.

**Congratulations
A. Charles Richardson**

Maclean's
DEALER OF EXCELLENCE

Messing with milk

During the 1980s, the giant Monsanto Co. of St. Louis, Mo., and other U.S. pharmaceutical firms spent millions of dollars tinkering with one of Mother Nature's most beloved products: cow's milk. They did not want to change it; they just wanted to produce more of it through a genetically engineered hormone. Approved for use in the United States in November, 1993, recombinant bovine somatotropin (rBST) is currently being used by about 33 per cent of U.S. dairy farmers. But regulations in the European Union, Australia and New Zealand have all blocked use of the hormone. And in Canada, the companies' efforts to win federal approval for rBST have triggered opposition from a loosely based fleet of special-interest groups. Their concerns range from whether it makes sense to increase milk production in Canada—to whether the hormone could pose a health risk to humans. Many Canadians simply do not like the idea of animals receiving advanced synthetic milk. "We get letters from consumers almost every day," says Kerriann Mene, president of the National Dairy Council of Canada. "People are saying, 'Don't turn your backs on your products.'"

The controversy has far spilled its efforts by the two Canadian producers—Monsanto Canada Inc. and Eli Lilly Canada Inc.—to market their product. After holding public hearings on the issue in March 1994, the House of Commons standing committee on agriculture persuaded Agriculture Minister Ralph Goodale to declare a one-year moratorium on the introduction of rBST while a joint industry-government task force investigated its safety. But when the task force report was released last April, it glossed over health concerns. Heavy opponents of the substance—including the Dairy Council, the National Farmers Union and the Consumers Association of Canada—called for a new moratorium, which would prevent use of rBST even if Ottawa's Health Protection Branch approved the companies' application. Meanwhile, the Ottawa-based Council of Canadians, a nationwide watchdog group that opposes the use of rBST, has accused the drug companies of employing scare-mongering tactics. "They have a small army of lobbyists pressuring members of Parliament," says Alex Berton, a council researcher. "The companies are trying to run

experienced other problems with their herds that could be linked to use of the hormone, including premature culling and abortion births. Despite the lack of any hard evidence, questions persist about whether the hormone could also lead to human health problems. The issue often stems from the biochemical activity of rBST itself. To increase milk output in cows, the pharmaceutical companies used genetic engineering technology to make multiple copies of a hormone that occurs naturally in cows. Injected into cows, the extra dose of hormone triggers increased levels of a chemical called insulin-like growth factor-1 (IGF-1), which can increase milk production by increasing the flow of nutrients to the cow's udder.

Treating cows with rBST causes IGF-1 levels in milk to increase slightly—but the pharmaceutical companies insist that the growth factor is broken down in the human digestive tract. Some researchers, however, are not so sure. In an article last summer in the *Canadian Journal of Animal Science*, Dr. Elton Block, a physiologist at Montreal's McGill University, concluded that "poor potential effects of injected IGF-1 on the gastrointestinal tract and local immune systems of the gut need to be explored."

Adding to the concern is the fact that other scientists, in research unrelated to rBST, have examined a possible role of IGF-1 in cancer. Monsanto officials insist that they have already investigated all possible health risks. "This is one of the most tested animal health products ever made," says Bob Tach, director of animal sciences for Monsanto Canada Inc. in Mississauga, Ont. "It has been tested and confirmed that rBST does not cause malignant transformation of normal human cells."

The controversial hormone is in the vanguard of a flood of genetically engineered food products that will soon begin reaching the marketplace. In February, Ottawa approved the genetically altered FLAVISAVE tomatoes, which is billed as staying in its prime longer. But officials of Colgene Inc., the Davis, Calif.-based producer, say they had not yet decided where the tomatoes will go on sale in Canada. Still, an Angus Reid survey in May showed growing concern among Canadians about food safety, and more than half of those surveyed were specifically worried about rBST—a finding that could mean that consumer resistance may slow the coming era of genetically altered foods.

MARK NICHOLS

Good Company! Shaw Festival 1995

Ten plays in repertory from April 12 to October 29 including classics by Bernard Shaw, Noel Coward, Robert Sherwood, Oscar Wilde and Arthur Sullivan. In the historic setting of Niagara-on-the-Lake, Ontario. Only 2 hours drive from Toronto!



For more information, call 1-800-267-4759

The number of payphones
their card can access
with a magnetic swipe.

0

The number of payphones
our card can access
with a magnetic swipe.

60,000



Unlike most other cards, the Bell Calling Card service's magnetic swipe mechanism gives you instant access at over 60,000 payphones across Canada. The card can be used in over 100 countries worldwide.* And it's the only card that lets

you enjoy all the benefits of your *Next Plan*™ and *Advantage*™ long distance savings plans while you are away from home. Which is why it's not only the easiest phone card to use, it's the best card period. So dial 1 800 789-5869 and get it free.



We'll earn your business

*Using service abroad varies. ©Canada Bell is a trademark of Bell Canada Inc. Bell is a registered name.



Connect With The Issues

*Introducing Maclean's,
Canada's Weekly Newsmagazine,
on CompuServe*

Maclean's on CompuServe connects you directly
with the issues that matter to you.

Log on, and access a whole new world of information.
Join our interactive forums and share news and views with other online users,
Maclean's editors and special guest experts.

Get connected with Maclean's on CompuServe and access the following features:

- **Current Issue** Enjoy the full text and graphics of the current issue.
- **Photo Gallery** Maclean's illuminating photography, and the people who make the news, come to life on your desktop.
- **Maclean's Forum** Explore and debate the issues with Maclean's editors, other online users and guest experts on a wide range of topics such as gun control, education, travel, and medicine & health.
- **Search Back Issues** A valuable tool for school or business research. Search the full text of back issues by key words or subject.
- **Maclean's 90th Anniversary** Review selected stories that have chronicled Canada's past by such writers as Thom Bertram, Stephen Leacock and Hugh MacLennan, and view a sampling of cover art from decades past.



Call 1 800 487-0952 and ask for Operator 721 to receive:

- **Free** CompuServe Information Manager (CIM) software for DOS, Macintosh, Windows or OS/2.
- **One free month** of CompuServe's basic services, a \$9.95 U.S. value.
- **Includes 3 free hours** on the Internet each month.
- **A \$15.00 U.S. escape credit** to explore CompuServe's extended services including Maclean's Online Forum.

Maclean's
What Matters to Canadians

The First Canadian Publication On An Interactive Online Service

NEMSLIA CAN STAY

Jewish groups raised outrage after an immigration adjudicator ruled that deportation hearings for accused war criminal Joseph Nemslia of Ottawa, Ont., should be dropped. Justice department lawyers had accused the 50-year-old Nemslia, who came to Canada from Czechoslovakia in 1950, of being about his involvement in a military unit responsible for the deaths of hundreds of Jews and other Czechoslovakians during the Second World War. But adjudicator Ed Mukhamsar ruled that Nemslia was immune under an 85-year-old law that protects people who have Canadian status—were entered Canada before 1935—from being deported. The government was expected to appeal.

TEENS CHARGED WITH MURDER

Five teenagers—two aged 13, one 14 and two 15—were charged with the second-degree murder of U.S. fisherman Tyghe Magnusson, whose bloodstained body was found in a waterfront ditch in Prince Rupert, B.C., on July 15. Magnusson, 34, who stood six-foot, seven inches and weighed 300 lb., was known in his hometown of Point Roberts, Wash., as the Gentle Giant. The teens' lawyers are protected under the Young Offenders Act.

PRISONERS TO BUTT OUT

Federal officials announced that smoking will be banned inside federal penitentiaries by 1998. Although Correctional Services was exempted from a prohibition on smoking in all government buildings five years ago, officials said the department had now decided to comply in order to protect the health of inmates and staff.

BERNARDO TRIAL BREAKS

After weeks of testimony from Paul Bernardo's former wife, Karla Homolka, the Crown introduced forensic evidence at his Toronto trial—as well as information about the law that he is alleged to have used to seduce his victim, Leslie Stacey, 14. Then, jurors were given a 13-day holiday. When they return on July 31, the Crown is expected to spend two more weeks introducing evidence on the trial's slayings of Marilyn and Kristen French, 15.

MURKED MILITANT

In Ottawa for the annual meeting of the Assembly of First Nations, Grand Chief Ovide Mercredi accused the federal government of trying to divide his organization by going directly to bands to negotiate treaty rights. Mercredi said members of the assembly are prepared to support federal efforts to make sure the government does not goad them.

Canada NOTES

The stamp of terrorists

Police warned the public not to open suspicious parcels or letters because a little-known Vancouver-based terrorist group has been mailing bombs to religious individuals and organizations across the country. The group, calling itself the Anti-Fascist Militia, has delivered four bombs and identified at least a dozen other targets, RCMP Sgt. Peter Montague told reporters in Vancouver.

Only one bomb exploded—damaging the Cadshore, B.C., office of a company specializing in the criminal investigation of cable. Police said the explosive was intended for an employee, whom they did not identify. Bombs were also sent to Ernest Zundel, now Toronto publishing company owner and one of the world's largest suppliers of neo-Nazi material; Arya Mazan leader Charles Scott in Chilliwack, B.C.; and the Maclean Institute, a right-wing think-tank in Toronto. "Canadian society is very fortunate that no one has been killed," said Montague. Canada Post said its ability to detect bombs is limited. "We have alerted our employees



Montague with photo of most bombs: warning

in strategic areas, but there's not much more that we can do, and communications managers in B.C. and Vancouver offer hardly more than three million pieces of mail a day and "perch on through like a blur," Lewis added. "We can't start opening parcels. We don't have the means to X-ray them. We're doing whatever we possibly can, given the results of the movement." Postal workers, meanwhile, were briefed on how and bombs are made and how to identify them.

Blood recall

The Canadian Red Cross began a second nationwide recall of blood products after a Toronto donor was diagnosed with Creutzfeldt-Jakob disease, a fatal brain affliction characterized by dementia. The agency made the discovery six days after it initiated a cross-country recall of blood products—beginning with replacement supplies at a cost of millions of dollars. That effort began after a woman told the Vancouver Red Cross that her father, a regular blood donor since 1980, had the fatal disease. The Red Cross said that the Toronto man last donated blood in August, 1984.

There is no evidence that the disease, which is caused by either an infectious protein or a virus, can be spread through blood products. But the quick response by the Red Cross, observers said, suggested that the country's largest-ever recall of blood products was designed to bolster public confidence and avoid the possibility of a repeat of the AIDS inquiry of the 1980s, when the deadly virus spread through Canada's blood supply, infecting more

than 1,000 people. The recalled products include albumins, used in the treatment of shock and burns, plasma-derived Factor A, used by hemophiliacs and HIV, used in transplants.

Bouchard's lawsuit

His: Quebecer Leader Lucien Bouchard and his wife, Audrey Best, filed a \$1.4-million lawsuit in Quebec Superior Court after controversial talk-show host André Arsenault made on-air allegations about the state of their marriage. The couple also sued two radio stations that carry his show—CHRC in Quebec City and CMOJ in Montreal, and asked for a court order banning any rebroadcast of the remarks.

The Bouchards said they were seeking such large damages because Arsenault has been implicated in the past by the Canadian Radio-television and Telecommunications Commission. In addition, they claim, the statements he broadcast—including an assertion that Best had left Bouchard shortly before his leg was amputated last December and returned only for the sake of appearances—were false and malicious. Arsenault said the suit was an attempt to censor him.

CALL TO CONSCIENCE

The West dithers while Bosnian Serbs tighten their grip

More than 25 years representing the northern reaches of Wisconsin in the U.S. Congress, Democrat David Obey has earned bipartisan respect as a stubborn advocate of human rights. A power on the House appropriations committee, he has voted to fund humanitarian programs and to cut off aid to repressive regimes. Two days after Serbian forces in Bosnia overran the 18 "safe havens" at Srebrenica on July 13, connecting what Obey termed "a crime war crime" against Bosnian Muslims, he publicly interrupted House business for a brief statement "inspired by conscience." "The fire directed is decidedly impolitic. It's a part message" to Gen. Ratko Mladic and his associates in the Serbian leadership "that are sick pigs. You are sick pigs. You are an embarrassment to the human race. If the world has any conscience, you will see day by day where you belong—in prison—rather than disgracing the military uniform that you wear."

That, an Obey aide said last week, was all that the congressman had to say publicly for now about Bosnia. It was sufficient at the time to stimulate his reaching fiery over the Serbs' renewed "ethnic cleansing" campaign against Bosnian Muslim civilians and the harassment of its persecuted troops. Canadians joined them. But his call to conscience needed a linchpin for a hot cause in hearings. Western governments dilated while Serbian fighters just as heavily as he did.

Deaths and danger marched through the five UN safe havens of eastern and central Bosnia and enveloped its northwest corner during the last week in Washington and London. Politicians in lesser capitals, including Ottawa, waited passively for leadership as thousands of Bosnian Muslims fled to temporary safety with some familiar tales of Bosnian brutality—sensational mutilations, rapes and the abduction of men and boys to unknown fates.

Beyond Bosnia, much else is underway and already changing. The honor of the democracies, for one. America's world leadership, for another—along with its crusade for human rights in other countries (undermined by its fading's more), the U.S. Congress passed a resolution last week calling for pressure on China to reform its rights "record." (The European Community is divided over China, as is NATO, with its mandate to police the continent's security. Above all, the state of Moscow: aided the United Nations in its 50th anniversary year. In one of its earliest acts, the United Nations committed itself in 1948 to both prevent and punish genocide. The world agreement has taken into deep disrepair following its failure to halt atrocious murders in Somalia and genocidal slaughter in Bosnia, and now Bosnia.

Margaret Thatcher was one among many commentators to decry the world's meekness. As Britain's Churchillian former prime minister observed recently in the House of Lords: "There are many potential aggressors looking at and learning from what is happening in



Bosnian Muslim refugees in trucks, agony and humiliation

Bosnia, waiting to see whether they would get away with it."

By late last week, at strategy talks in London, the North Atlantic Treaty Organization faced a challenge: from France for action in Bosnia under commitments to counter a new human world order. Three years of hot meetings, and recent days of transatlantic deferring, preceded the meeting of defense and foreign affairs ministers from countries with UN peacekeeping forces either in Bosnia or elsewhere

Bosnian Serb soldier during clash near Serbian-controlled town of Glumac just

involved. Their positions by the United States, Britain and France to protect Muslim civilians and UN soldiers—both from present danger and in any future mission—propelled the major super powers towards a military response.

But the U.S. and British leaders rejected the French proposal to send in an Anglo-French ground force—should American transport helicopters and supported by U.S. helicopter gunships—to stop and even roll back the Serbian assault on the UN troops. The American line was that Jacques Chirac, president of France for barely two months, was graduating—assuming the moral high ground as the knowledge that President Bill Clinton would not budget for his refusal to endanger U.S. ground troops, including helicopter support units. Clinton and Prime Minister John Major—clearly wary of reinforcing British soldiers under UN command—opted for limited NATO air force action to deter the Serbs. The plan also raised the idea of using European force to ensure a supply route to the beleaguered Bosnian capital of Sarajevo, a UN-designated Muslim town.

Left in doubt was how well such measures would deter. Ratko Mladic's force in its current campaign over Bosnia's border with Yugoslavia, the largely Serbian rump of the Yugoslav federation that splintered in 1991—and which continues to sustain Mladic's army. Also in question was whether the coalition—both Mladic's Serbs and back the mainly Muslim Bosnian government army—would desert from harassment, disarming and taking hostages (the belated soldiers of the multinational UN force).

On the answers rest the reputations of the outside powers and their leaders. Their honor is already tested. Still going and backing, unable or unwilling to articulate a greater global purpose in combating ethnic wars in Bosnia, the governments involved have several covered by concerns that exposing their soldiers to danger in a distant cause might damage their political fortunes at home.

Domestic politics figured prominently in Clinton's initial Bosnia policy line. Having already committed U.S. soldiers to help Bosnia and French troops protect the possible withdrawal of UN forces and their equipment, Clinton far further deepened his determination to keep American soldiers out of Bosnia's way by refusing all demands in Congress to get the United Nations out promptly. Senate Majority Leader Robert Dole, Clinton's potential Republican rival for the presidency in 1996, finally agreed to postpone until this week a vote on his plan to couple a UN retreat with the supply of arms to the largely Muslim

other—even in order to prevent the violation of agreed limits, arms hoards and safe havens. That encapsulates the usual UN peacekeeper's role as carried out on such earlier operations, as in Cyprus and other hotbeds of civil strife. Without the officers, numbers or weapons to enforce ceasefire and ease the victims at the cross hairs—seen to save themselves from capture—the soldiers in UN blue helmets in Bosnia are exposed to human slaughter.

The Bosnian government delayed the ultimate ultimatum last week as an expression of contempt for an organization that accepted it as a member in its infant infancy three years ago. This government army, mimicking its Serbian enemies, holed up UN protectors by seizing their weapons and threatening in one case to use the captives as shields against Serbian aggression. Almost simultaneously at a Washington news conference, Bosnian Foreign Minister Mladen Sestanovic declared that "the UN mission at Bosnian Hercegovina is at an end," effectively, if not officially, "a clumsy reminder of the United Nations' failure," he said, the peace force of some 25,000 soldiers should get out by November at the latest.

In the twisting international debate on just what to do in Bosnia, there is no lack of advice from politicians. Much of it violates the UN and UN conventions, violators in Bosnia by a pack to the political leaders.

Neville Gensbach, for one, envisions the notion that U.S. air supremacy should settle the situation by force power. First, says the Speaker of the U.S. House of Representatives, Washington took its affix to get out. Then, the U.S. President orders the Serbs to cease fire or we're going to invade you and we're going to do it in the name of NATO. While American war and Iraq Bosnia Muslims in a steady cross-attack if they still cannot sue, the U.S. pulls out because "we can't make a state in the Balkans."

On the other side of the argument, Russian Foreign Minister Andrei Kozyrev questions whether the West is setting a "really tight" no, and not just on high moral ground and public opinion.

Serbian commander Ratko Mladic that said, "Based on their experience in the wars from Vietnam to today," he said in a recent interview in Bosnia, "the Western countries have learned they cannot martyr their own children to make peace outside their borders."

But in fact, since Vietnam, the United States has dispatched its "children" in pursuit of goals to Lebanon and Granada, Panama, Somalia and Haiti. Thirteen, in 1990, sent young recruits to fight in the Falkland Islands. In 1990 and 1991, U.S. troops were sent to the youth of the countries were engaged in Bosnia, and other places. They have not left Kuwait. But of was a goal in that cruise. Principle and human rights seem to rank below commercial interests when it comes to rescuing a people from its agony. □

Bosnian government army—in defiance of a UN boycott. Mladic's plan is a particular political embarrassment to Clinton because it is essentially the same policy that the Democratic president espoused during his 1992 election campaign.

The Republican majority in Congress, supported by a contingent of Democrats, is not alone in contending that the UN soldiers are both ineffectual and—when used by the Serbs as hostages to force NATO air strikes—a hindrance. The Bosnian government also disavows the United Nations' withdrawal from the battlefield.

Even the military acronym of the UN Protection Force, COMPROF, bespeaks its unenviable fate.

The UN troops are not to be put on and not for the UN's role as carried out on such earlier operations, as in Cyprus and other hotbeds of civil strife. Without the officers, numbers or weapons to enforce ceasefire and ease the victims at the cross hairs—seen to save themselves from capture—the soldiers in UN blue helmets in Bosnia are exposed to human slaughter.

The Bosnian government delayed the ultimate ultimatum last week as an expression of contempt for an organization that accepted it as a member in its infant infancy three years ago. This government army, mimicking its Serbian enemies, holed up UN protectors by seizing their weapons and threatening in one case to use the captives as shields against Serbian aggression. Almost simultaneously at a Washington news conference, Bosnian Foreign Minister Mladen Sestanovic declared that "the UN mission at Bosnian Hercegovina is at an end," effectively, if not officially, "a clumsy reminder of the United Nations' failure," he said, the peace force of some 25,000 soldiers should get out by November at the latest.

In the twisting international debate on just what to do in Bosnia, there is no lack of advice from politicians. Much of it violates the UN and UN conventions, violators in Bosnia by a pack to the political leaders.

Neville Gensbach, for one, envisions the notion that U.S. air supremacy should settle the situation by force power. First, says the Speaker of the U.S. House of Representatives, Washington took its affix to get out. Then, the U.S. President orders the Serbs to cease fire or we're going to invade you and we're going to do it in the name of NATO. While American war and Iraq Bosnia Muslims in a steady cross-attack if they still cannot sue, the U.S. pulls out because "we can't make a state in the Balkans."

On the other side of the argument, Russian Foreign Minister Andrei Kozyrev questions whether the West is setting a "really tight" no, and not just on high moral ground and public opinion.

Serbian commander Ratko Mladic that said, "Based on their experience in the wars from Vietnam to today," he said in a recent interview in Bosnia, "the Western countries have learned they cannot martyr their own children to make peace outside their borders."

But in fact, since Vietnam, the United States has dispatched its "children" in pursuit of goals to Lebanon and Granada, Panama, Somalia and Haiti. Thirteen, in 1990, sent young recruits to fight in the Falkland Islands. In 1990 and 1991, U.S. troops were sent to the youth of the countries were engaged in Bosnia, and other places. They have not left Kuwait. But of was a goal in that cruise. Principle and human rights seem to rank below commercial interests when it comes to rescuing a people from its agony. □

The West draws a line

NATO leaders talk tough—but are the Serbs listening?

In the long chronicle of misery and suffering in Bosnia, Sefka Šermet's tale is in all too typical. It begins in Sarajevo, where the 40-year young woman, 17 years old and on months pregnant, finds her way to the narrow tunnels to evade the force of sniping rifles. She is not alone. She is surrounded by a crowd of 15,000 fellow refugees, mostly Muslims, many of them government soldiers. Together, they number as a desperate 50,000 trek across the rugged hills and narrow valleys of eastern Bosnia. Along the way, she glimpses horrors. At a crossing in the mountains, she sees a man being shot. In Pože, there is a trench filled with corpses. "Hundreds of them, I think," she says. Not far away, she watches her father die, cut down in a Serbian ambush. Along with her husband and 3,000 others, she is eventually captured and taken to Kravica, where she is thrown into a bus with her husband and the rest of the male prisoners are marched off to an uncertain fate. "Oh my God," Šermet says when, exhausted and in despair, she finally catches the relative safety of Tuzla. "I wish I had my flight bag with me. I'd like some."

There are no easy answers to the questions—ask for young Serbs, not for the tens of thousands of other Bosnians in similar straits and certainly not for the political leaders who picked the last battle. The Serbs are determined to win in the life of the spreading Balkan tragedy. As military officials of the major Western powers and Russia struggled to agree on a ceasefire last night, Serbian forces in Bosnia continued to spread a web of fear, killing and kidnapping. The army of the Federal Republic of Yugoslavia, the country they are calling the army, Serbian troops had swept aside the 70 lightly armed Croatian peacekeepers guarding Serbs and stood poised to capture the UN "safe haven" on the banks of the Drina River. Almost immediately, the Serbs threatened plans to take over the town of Zepa, a tiny, extremely Muslim-inhabitant, walled-off town for a new wave of "ethnic cleansing" similar to the one that washed over Srebrenica 62,000 unarmament residents days earlier. And with the seizure of Zepa imminent, the Serbs turned their sights further south to Gornja, a tiny, mostly Muslim town of the last remaining UN enclaves in eastern Bosnia.

beating capital of Sarajevo, killing six people and wounding dozens more. Downpour Tuks came under artillery fire as well as a series of sporadic attacks that killed one and wounded eight. In Bihać in the northwest, where Bosnian government forces were surrounded by these enemy factions, rebel Serbs from neighboring Croatia and troops attached to an anti-government Muslim force joined with the Bosnian Serbs to mount an all-out offensive. Backed by advancing hu-

Washington's attempt to add muscle to the mission fostered as a result of opposition from Russia, a traditional Serbian ally, as well as the reluctance of several countries, including Canada, to risk their own ground forces is what could amount to an underhanded war against the Serbs. "We want to see medals to say we are determined to play a powerful role in the former Yugoslavia," Foreign Affairs Minister Andre Ouellet said as he emerged from the Quebec session. (Ouellet was

however, Milosevic conceded that most countries involved in Bosnia "are conscious of the serious risks of this course of action."

The U.S. call for "major and sustained" air strikes against Serbian positions was indeed brought with peril, not least for the 24,700 UN troops currently on the ground in Bosnia—including 807 Canadians in blue helmets now based at Visoko, 25 km west of Sarajevo. For it raised the distinct possibility that the hopelessly outnumbered and outgunned UN peacekeepers, as has happened so often in the past,

would be taken hostage by the Serbs and turned into human shields to bear the first brunt of assaults from the air. U.S. officials are well aware of the problem. "I understand how difficult the issue of hostage-taking is in these countries involved in it," Perry admitted. Nonetheless, he argued that it could not—and should not—deter the air strikes. "You cannot allow your policies to be taken hostage along with your business."

allies may eventually come to accept the U.S. program for the simple reason that few other options are available if the Serbs remain intransigent to Western demands. The U.S. plan does at least have the merit of holding out the promise, albeit slim, of a continued UN presence in Bosnia. And that, in turn, gives more time for newly appointed European Union mediator Carl Bildt to broker some kind of peace agreement, also a remote possibility.

Despite his agreement to delay the critical vote to give the Western allies a chance to adopt a unified strategy, Dalc remains skeptical about the UN mission in Bosnia. "What the last three years of multilateral hand-wringing has demonstrated is that if the United States does not lead, action is not taken," complained the Kansas senator. "We've been waiting and waiting for leadership and, so far, nothing has happened."

That was what echoed by Russian government officials, who have grown ever more frustrated by the widening marginally enveloping the country. Last week, Mr. Lavrov, the speaker of the Russian parliament, went on angry letter to the UN General Assembly demanding to know what it so tended to do about Serbia aggression. "If you do not want to help the people of Zepa by doing active actors, say publicly," he wrote. On a visit to Washington, Russian Foreign Minister Mikhail Sergeyev boldly demanded the withdrawal of the blue helicopters, declaring: "The UN mission in Bosnia-Herzegovina is at an end."

It would be difficult to convince the tens of thousands of newly displaced refugees in Bosnia of the fact. While Western leaders lamented last week, the inhabitants of the country continued to retaliate with murder, rape and torture. In a particularly notorious incident, several refugees who managed to reach the shelter of the UN base at Tuzla recounted smaller stories of teenage boys roaming up by Sarajevo at Sarajevo. "The next morning, I saw a pile of bodies next to the water fountain," said 25-year-old Elvan Mestovic. "There were about 10 of them, all with their

According to US officials, Serbian troops often went as far as to threaten to rape women and to burn alive their babies. In one case, 100 women were threatened to be raped if they did not give up their babies. In another case, 100 women were threatened to be raped if they did not give up their babies.



Children from Sweden's stock bases of food rations in UN refugee camps in Jordan

rigs of tank and artillery fire, the combined Serbian and Muslim units pushed deep into the enclave, rilling back the outgunned government troops to capture at least one town and threaten several more. "The Muslim enclaves in Bosnia are no longer viable and must disappear," declared a prominent Serbian leader Radovan Karadzic from his headquarters in Pale, southeast of Sarajevo. "If not, we will take them by force."

In London, Western officials responded by condemning Bosnian Serbian attacks on the safe havens and issuing a threat to launch air strikes to protect Gornjé from further assaults. Much to the dismay of Bosnia's beleaguered government, however, the conference failed to endorse a more vigorous proposal from the United States that would have seen the full force of NATO air power deployed in defence of the four remaining UN enclaves.

the foreign and defence ministers from the 15 countries that have peacekeepers in Bosnia, along with officials from the United Nations, the 15-nation European Union and the 16 member states of NATO.)

The gathering's cautious response was instantly condemned by Bosnian Prime Minister Haris Silajdzic, who warned that the World's failure to take strong action merely gave the Serbs another "green light" to proceed. "It's another hollow exercise, another job left to be completed." This will make the Serbians feel very confident. Once more, the international community has backed down." British Foreign Secretary Malcolm Rifkind dismissed flat notation, claiming that all of the participating countries had agreed that a major Serbian move against Gorizade would prompt a "substantial and decisive response" including the use of air power. At the same time,

taking as a result of an ongoing attempt by its Republicans in Congress to force the President to unilaterally lift the arms embargo on Bosnia. Such a step, maintain leaders of Britain, France and other European governments, would trigger a UN withdrawal and inevitably lead to a intensified war throughout the former Yugoslavia. Last week Clinton managed in the last minute to convince Senator Robert Dole, leading contender for the Republican presidential nomination, to postpone a vote on the resolution.

NO SAFE PLACE



SARAJEVO
Besieged by Bosnian Serb fighters, who have isolated the passage to the city, convoys carrying food and other humanitarian aid.

SREBRENICA
Captured by the Bosnian Serbs on July 11. Most of its 42,000 Muslim residents have been expelled from the city. Thousands more are missing and presumed dead.

ZEPA
A collection of 20 hamlets housing between 11,000 and 14,000 people, Bosnian fighters struggled last week to hold the enclave, but were badly outgunned by Serbian Serb forces.

GORAŽDE
The Bosnian Serbs' expected next target. A relatively well-defended enclave that is home to 60,000 Muslim residents and refugees.

TUZLA Refugee centres in which UN workers were scrambling to erect tent offices for the thousands of people arriving on foot from the Serb-dominated western enclaves.

DIHAC
Serbs last week captured at least one town in the enclave, sending hundreds of refugees fleeing into the forest and drawing threats from Croatia that it might intervene to save the city.

Hard realities

The UN has led Bosnia down the garden path

BY LEWIS W. MCKENZIE

Military commanders call it "intimate creep." It happens when you start off with a relatively simple objective that gradually expands—usually beyond the available resources. The UN peacekeeping role in Bosnia-Herzegovina will be studied for decades to come as one of the best examples of the disasters that inevitably accompany "mission creep." (Two other examples were the American interventions in Vietnam and Somalia. Unfortunately, they continue to influence Washington's policy—or lack thereof—toward Bosnia.)

The UN mission in Bosnia-Herzegovina started in June, 1992, when a modest force of just over a thousand UN soldiers secured the Sarajevo airport for the delivery of humanitarian aid. The mission was a success—more than 300 tons of food and supplies arrived daily for over six months.

By early 1993, however, the war was escalating so badly for the Bosnian government army. The predominantly Muslim town of Srebrenica, in eastern Bosnia, close to the border with Serbia, was about to fall to the Bosnian Serbs. My successor, Maj Gen Philippe Martin of France, tentatively entered the besieged town and found the United Nations to feel politically with the situation. In order to keep Srebrenica and two other major Muslim communities, Zepa and Gorazde, from falling to the Bosnian Serbs, it was decided to try to keep Muslims in the area while banding their weapons and the UN would decide the "safe haven."

Shortly after, I appeared in front of the U.S. House of Representatives foreign policy committee, and I testified that it would take 100,000 well-equipped UN troops to guarantee the protection of the safe havens. Maj Gen Martin's successor, Brigadier Lt. Gen. Francis Bragagnone, agreed, but was prepared to try with 70,000. The UN secretary

general subsequently recommended that the mission be conducted with 34,000 troops. The Security Council, in its wisdom, approved 7,600—of which only about 3,200 were shown up. General Bragagnone quit in frustration—an act of courage, not weakness, which unfortunately did not have the desired effect of convincing the international community that defending the safe havens was a combination of bluff and symbolism was bound to fail.

In fact, the United Nations response made matters worse. The Bosnian government quickly recognized that the United Nations would not be able to defend their citizens in



Bosnian Muslim fighter, aged 24, in Tuzla Bosnian jersey

the eastern enclaves, so they smuggled weapons and men into the safe havens to do the job themselves. Over time, the Bosnian fighters became more belligerent, launching a campaign of short, violent forays into the surrounding countryside. UN peacekeepers reported numerous atrocities by the Bosnian army, but were inadequately equipped to control the situation. Finally, the Bosnian Serbs overreacted by cleansing the entire population centre of Srebrenica—all very explicable, if not justifiable.

Now Gen Bragagnone and Zepa have fallen, there is much discussion about the wisdom of reinforcing the UN presence in Gorazde, opening a humanitarian corridor from Split

to Sarajevo, defending Sarajevo, etc. etc. Realistically, if this chatter has been conducted without a clear political objective, in soldiers' language: What's the aim? Is it to re-establish Bosnia-Herzegovina's borders as recognized by the European Community on April 6, 1992? To defend the safe havens? To deliver aid? To save lives? Only once the political objective is clarified can the military get on with the task.

As a short-term plan for our continent, it does make sense to reinforce Gorazde and to try to open a humanitarian corridor into Sarajevo. Unfortunately, both of those objectives probably fit into the category of what should be done, rather than what can be done. More importantly, if the United Nations reinforces Gorazde, the Serbs will simply threaten us from the other side again—Banja Luka, Tuzla, Sarajevo or somewhere else. The Bosnian Serb leadership, after all, can make strategic decisions in a matter of hours, while the Security Council, NATO, and the contributing nations take weeks to respond.

The reality is that Zepa and Gorazde—and, for that matter, the northeastern enclaves of Jajce—are indefensible without substantial reinforcement, which the international community is not prepared to provide. As distasteful as it is to admit it—just considering only what can be done—negotiations should commence to create a smaller but viable Bosnian nation based in Central Bosnia and including Sarajevo and Tuzla. I don't for a moment expect the Bosnian government leadership to accept such a concept, but the West has led them down the garden path long enough. The least they deserve to know is when we are prepared to draw our "line in the sand."

Meanwhile, Canada's tough but tiny army is now pressed to maintain a presence in both Bosnia and neighbouring Croatia. Of the two, the Croatian mission is the more dangerous, and is where the majority of our troops are. I have been told that they will hold little promise of relief. Despite Foreign Affairs Minister Andre Ouellet's claim that the United Nations was "drawing the line," the 844-member Canadian contingent in Bosnia was spending its weeks fighting for a breakthrough at a plateau of 46 Canadian peacekeepers (prepared to join British and Spanish forces) in the north of transport 7,000 refugees from the besieged Bosnian enclave of Zepa to camps in Ključ and Zvornik, respectively 50 km northeast and northwest of Vukovar. The Bosnian government threatened those plans by refusing to permit Canadians to help its own people—Sani Capa, Jacques Fournier, a military spokesman. "It is frustrating not to be able to



Canadian soldier at a UN observation post near Vukovar: determination

Running on empty

In a very moment of levity, Canadian peacekeepers struggling to bring in dwindling supplies of water and food nicknamed their post "The Charlie Victor or Defeat Centre." From their mountain perch, the 55 soldiers, confined for more than three weeks to a small UN observation post in central Bosnia, tracked two very different aspects of war in the river valleys below. With high-powered binoculars, they followed the advance of three Croatian columns, restrained by the Bosnians to their headquarters at Vukovar, 2.5 km to the north, on the western slopes. From here, the line between the Muslim-dominated government army and Bosnian Serb forces. In the morning heat, they could do little but watch. Finally, on July 16, it had rained, and they abandoned their post on July 23 was the dropped date. "Capt. Mark Percipio told Maclean's after returning to the Canadian base. "We had no food or water after that. We held on as long as we could."

From that vantage point, the ultimatum from the 30 NATO nations standing in London last week held little promise of relief. Despite Foreign Affairs Minister Andre Ouellet's claim that the United Nations was "drawing the line," the 844-member Canadian contingent in Bosnia was spending its weeks fighting for a breakthrough at a plateau of 46 Canadian peacekeepers (prepared to join British and Spanish forces) in the north of transport 7,000 refugees from the besieged Bosnian enclave of Zepa to camps in Ključ and Zvornik, respectively 50 km northeast and northwest of Vukovar. The Bosnian government threatened those plans by refusing to permit Canadians to help its own people—Sani Capa, Jacques Fournier, a military spokesman. "It is frustrating not to be able to

help people when we know they need help."

The Bosnian war remains both a political and a tactical collision of competing positions. Former Alliance officials admitted that neither Quebec nor Defence Minister David Collette had defined a bottom line for Canada's policy before they left for London. And Canadian officials were hard pressed to elaborate on the policy that emerged after the meeting, during which Canada supported air strikes "if necessary" but, as Collette put it,

'We were smack dab in the middle of a major offensive and they wanted us out'

not "for the sake of it." On the peacekeeping front line, there was confusion of another sort. "Every situation and every 30 km is different in Bosnia," said Percipio, a 25-year-old soldier from Guelph, N.S. "Attitudes, beliefs or approaches, they are all different."

Two of the few constraints are the inextinguishable conditions—and the Canadian peacekeeping contingent's daring determination to adapt to them. During the 25-day standoff at the observation post, one of four hot spots at the hills around the Canadian headquarters, the small unit repeatedly argued the Bosnian army's attempts to close them down. "The post was located on a very significant hill, close to a small Muslim cemetery," said Percipio. "All around us was the Bosnian army and thirty large amounts of equipment. We were smack dab in the middle of their major offensive and they wanted us out."

The relief unit arrived at the post on June 23, the day the Bosnian army imposed a blockade that cut off any chance of resupply. Within a week, the soldiers halved their daily water ration of four litres per man. The only food left during the last 10 days were French rations—the least popular among UN peacekeepers. Breadfruit was a mix of 30 g of processed chicken hash, a small piece of sausage with sauce and 150 g of beans, supper consisted of three pieces of chicken the size of quarters, with sauce and 150 g of rice. "And noodles," said Percipio. "We had 1,000 recipes for noodles. Noodles with salt, noodles with pepper, hot and cold noodles with salt and pepper. I will never eat chicken or spaghetti again."

The jobs alone of peacekeeping emergency clinics, however, were soon replaced by more serious concerns. Average daytime temperatures hovered around 40° C. The soldiers, wearing full army gear, including steel helmets and balaclavas, regularly lost weight—in much as 10 lb each. On July 12, a Canadian Forces physician from Vukovar was allowed to visit the post—but only for five minutes. "It was a tactic to see whether they could try to break us out," said Percipio. Suffering from dehydration, acid infections and diarrhoea, two of the 13 Canadians were told they could leave with the doctor. The final decision to abandon the post was both a blessing and a crushing disappointment. "We did not want to give in," said Percipio. "But we were no longer prepared to risk our lives."

Although politicians lack hard night shifts, Percipio agrees that the experience was Canadian peacekeeping in its truest sense. "We're engaged in something completely different from what we are used to doing," the peacekeeper said. "It's extremely frustrating, yet rewarding. Too." What was difficult to argue last week was that there would ever be any peace to keep in the former Yugoslavia.

BY ALAN FLETCHER

In 1992, Maj Gen James W. MacKenzie was the first commander in Sarajevo to arrive from the Canadian Forces, he is a senior military officer at the Canadian Institute of Strategic Studies in Toronto.

World NOTES



STREET BATTLE: Wedding long metal bars, South Korean students clash with riot police during a violent demonstration in Seoul. More than 1,000 students took part in the protest, organized in response to a government decision not to prosecute former presidents Chun Doo Hwan and Roh Tae-woo for their roles in the 1980 Kwangju massacre, in which soldiers killed more than 200 civilians

A message from Yeltsin

Russian President Boris Yeltsin made a surprise television appearance after a photograph leaked suggesting that his health problems might be more serious than officials were willing to admit. Speaking from his Moscow hospital room, Yeltsin said that he was feeling better and working four hours a day. Sounding healthy but hoarse, Yeltsin used the phrase "heart attack" to describe the condition that led to his being rushed to hospital on July 11. Previously, his aides had said that he suffered from ischemia, a shortage of oxygenated blood to the heart. The 65-year-old Russian leader appeared unimpaired on TV after officials released a photograph of him, supposedly working in hospital, which was nearly identical to one shown in April while he was recuperating at a Black Sea resort. The suspect photo mirrored rumors from Yeltsin, who has been under heavy pressure because of the bloody seven-month war in southeastern Chechnya and an unacknowledged to inspect him, might not be well enough to campaign in the parliamentary and pres-

idential elections scheduled for later this year. The last Time news agency said that Yeltsin would probably be discharged from hospital this week, but would continue his convalescence in a sanatorium.

Deadly heat

More than 450 people—many of them poor and elderly—died in Chicago as a West African heatwave cranked about 750 heat-related deaths in the northeastern and midwestern United States. At one point in Chicago, the temperature reached 117° C. Bodies had to be stored in refrigerated trucks after the city morgue ran out of space. Local politicians blamed the administration of Mayor Richard M. Daley for not acting more quickly to help potential victims. Other observers said the high death toll was partly a result of poverty and the breakdown of traditional family structures, which has left many older Chicagoans living on their own in tiny apartments without air conditioning.

THE CLOUD OVER ATF

A former deputy director of the U.S. Bureau of Alcohol, Tobacco and Firearms told an inquiry that he thought the ATF carried out a 1993 assault on the Branch Davidian sect in the hope of earning favorable publicity. Four ATF agents died in the assault, which was followed 51 days later by an F-16-directed raid and a fire at the Waco, Tex., compound that killed about 50 cult members. Meanwhile, ATF director John Maguire said some of his agents were among 250 law-enforcement officials who gathered for a white-only picnic in May at which racist acts were performed. Maguire's critics said they were investigating reports that several off-duty Marines attended the Tennessee event.

NEW WHITEWATER QUESTIONS

Police officers appearing before a U.S. Senate committee inquiry into the so-called Whitewater affair testified that aides to President Bill Clinton refused to let their search Vincent Foster's office or papers for two days after the White House legal adviser committed suicide in July, 1993. At the time of his death it is a Virginia park. Foster was working on documents related to the 1978 investment by Clinton and his wife, Hillary Rodham Clinton, in the ill-fated Whitewater Development Corp., a real estate venture in Clinton's home state of Arkansas.

KILLINGS ON THE WEST BANK

Two Israeli teams were killed, apparently by Arab guerrillas, and Jewish settlers started carrying a blockade of West Bank towns as Israeli and Palestinian Liberation Organization negotiators struggled to meet a July 25 deadline for co-ordinating Palestinian rule in the West Bank.

O.J.'S FALTERING DEFENSE

Judge Lance Ito thwarted efforts by D. J. Simpson's defense lawyers to show that their client was framed in the killing of his ex-wife, Nicole Brown Simpson, and her friend Ronald Goldman by barring testimony from an expert who would have suggested that someone phoned Ito and matched Brown's an ink of Simpson's socks.

HAITIAN ELECTORAL FRAUD

A report by the Carter Center, a human-rights organization founded by former U.S. president Jimmy Carter, concluded that Jean's national elections in Haiti, which supporters of President Jean-Bertrand Aristide claimed to have won, was marred by fraud and improper balloting procedures.



Foley, McCulloch, McCulloch, McDonald, Thompson, fun

CALLING ALL THE KIDS

With certain exceptions, most movies feature one actor in a starring role. But *The Kids in the Hall*, the wildly successful comedy troupe consisting of Dave Foley, Bruce McCulloch, Kevin McDonald, Mark McKinley and Scott Thompson, didn't want to make one man's movie. They wanted to make their movie.

switch characters when they switch roles." While Thompson says that the troupe is having fun playing several of their regular characters, he points out that there are lots of new ones, too. "We've got it all—the punts, that is," he says with a grin. "Who needs a supporting cast? Just call us, we'll play that role." Extras need not apply.

THE KEY TO WRITING HONESTLY

Mystery novelist Lawrence Sanders says that he does only a small amount of research before he sits down to write one of his books. "I remind myself that I am not writing guidebooks as to how to murder," he explains. But Sanders, whose novel *The Danger I Am* is now being published, says that there is one area in which readers demand absolute accuracy: the description of guns. "If you use gun characters, you're involved, and I say it's a safety risk," he says. "I hear about it," says the author, who corresponds with his fans via a self-published newsletter and an e-mail address on the Internet. Sanders says, however, that he has no expertise in picking locks, a skill at which Bernie Rhodenbary, the hero of some of his more than 40 novels, including *The House, the Man*. The action goes going when Rhodenbary, a housewife, is hired to steal some documents, and he takes on the job as much for the thrill of breaking in somewhere as for any money he might earn. "I don't have to be able to do what Bernie does," says Sanders. "I just have to know enough about picking locks to make his sound like an expert." An advantage of writing fiction.



Sanders' expert

GOING COUNTRY

Less than two years ago, singer-songwriter Jim Madsen was just a small-town boy from England, Ont., playing in bars and dreaming of success. Things sure have changed. Madsen just returned to Canada from filming a music video in Las Vegas, then spent time catching up with his old, superstar friend Garth, after Garth's Toronto concert. And he is now making plans for a North American tour this fall to promote his recently released first album, *All My Wild Ones*. The co., which was produced by re-



Photo by [unreadable]

PEOPLE

DRAWING ON REAL LIFE

Seeing the humor in life isn't just an attitude for Sandra Bell Landy. It's also a way to earn a living. The Fort Collins, Colo.-based cartoonist, whose strip *Between Friends* is syndicated in 75 newspapers worldwide, says that she never has to go far for inspiration. "Someone might be talking to me, and I pick up a pet and doodle something, because I know the situation will translate well into the strip," says Landy. *Between Friends* focuses mainly on three women friends in various stages of their lives, but also includes one of their husbands. There, who is based on Landy's real-life spouse, Tim, a funeral director.



Landy: 'work relationships, friends'

Landy says the people around her have become used to seeing aspects of their lives show up in the strip, but generally they do not mind, because she tries to present them in humorous ways. "The strip deals with the day-to-day things we all struggle with—work, relationships, friends and family," she adds. "It's like a diary that happens, and you just have to sit back and laugh." Or is Landy's case, close from it.

dusty heavyweight Pete Anderson—who has worked with country music heartthrobs Dwight Yoakam as well as Garth and k. long and *Blue Rodeo*—is climbing the charts and generating critical acclaim. "Sometimes I can't believe that it's me in the middle of all of this," says Madsen of his run, right-to contract with the Dog Records. But even though his record company is in California, he says that he has no plans to move to the United States. "I'm just a bander thing happening here," Madsen says. "Except for touring, I'm staying put." You can take the boy out of the country, but you can't take the country out of the boy.

Edited by BARBARA WICKENS

Most "Sometimes I can't believe it's me"

THE BEARS OF SUMMER



Floor traders at the Toronto Stock Exchange shopping

The bid news for North American stock markets began last week when U.S. computer giant International Business Machines Corp. reported its financial results for the first half of 1995. IBM's revenue was up a healthy 16 per cent compared with the same period a year earlier, and its profit soared 200 per cent to \$4.1 billion, exceeding analyst expectations. That company chairman Lou Gerstner raptly cautioned that the rest of the year might be a little slower. And the stock market, which, for most of July, had been charging ahead, reacted sharply to IBM's announcement. It immediately clipped 25 cents off its share price, which fell to \$145.87. The market then proceeded to gnaw other technology stocks, including Canadian names such as Corel Corp. which fell 75 cents to \$81.75, and Delrina Corp. shares, which were off 50 cents to \$18.75. A day later, optimistic comments by Federal Reserve Board chairman Alan Greenspan about the state of the U.S. economy and the resulting prospect of higher interest rates, knocked stock markets into a full-blown sell-off. Technology companies, which had been the largest gainers in recent months, were the biggest losers. The declines hit individual stocks differently: IBM dropped more than \$12 to \$132.8, Corel fell \$1.25 to \$23.90, and Delrina tumbled by \$4.37 to \$14.37. Although the technology sector suffered the worst declines, virtually all the sectors were hurt. "When they pull the plug out of a bathtub," said John Fay, president of the Toronto investment house Maitland-Parronette Inc., "all the ducks go down."

Following the often-unexpected lunge of financial markets, last

week's bid news for the economy travelled into bad news for stocks. Evidence of economic strength again implies that interest rates, one of the most important influences on share prices, are more likely to rise than fall, as central banks attempt to cool the inflation that often accompanies prolonged growth spurts. Higher interest rates raise the return on equity investments relatively less attractive, and the news around, that meant that share prices might not get the boost that many investors had been anticipating from lower rates. And when they grumbled that shift in sentiment last week, some stockholders simply sold their holdings to lock in their profits. "In the high-tech and technology stocks, some people have doubled their money this year," said Jean Hough, a retail stockbroker at Scotiabank Inc. in Toronto. "They're just taking some profits." Hough adds that she considers the sell-off to be nothing more serious than a correction. Hough, like the general consensus that has emerged since the plunge, expects that stocks will resume their climb soon. But she also says that she—and many of her clients, as well as other market watchers—have begun to wonder when the bull market will end. "Speculation is rampant," she said, noting that reckless speculation is one sign of the warning signs that the market is on the verge of a crash.

Many economists were also jolted by the slight decline in interest rates that triggered the market collapse. They blamed the sequence of events on a sudden swing in mood about the strength of the U.S. economy. In the past two weeks, almost every reported economic statistic has shown that the North American economy is moving from the

weakness that, earlier in the year, threatened to bring on a recession. Lower interest rates eased housing and auto sales in Canada and the United States to edge back up a little in June.

In addition, inflation in the United States, where economic growth had tapered in 1994, seems to be contained. It edged up only slightly in June when it hit a moderate annual rate of 2.9 per cent for the first half of the year. In Canada, where the economy is weaker, inflation, as measured by the consumer price index, was running at an annual rate of 2.7 per cent in June. "Some of the numbers are coming out better than expected," said Aron Cooper, deputy chief economist with the Bank of Nova Scotia. "And that doesn't translate into good news for interest rates." Garcel said that the stronger economic numbers do not mean that interest rates will start rising again soon, but there is less chance that they will fall more.

That change had an immediate effect on the market's psychology. "The stock market has been on wheels lately because of expectations that interest rates would come down more," said Sherry Cooper, chief economist with Nesbitt Burns Corp. Ltd. in Toronto. "It's not surprising that the market would correct now that that scenario has faded." Last week, Greenspan dashed the expectation of lower rates when he appeared before a committee of Congress and gave an unexpectedly optimistic assessment of the U.S. economy. "We may have passed the point of maximum risk," he said, referring to the possibility of a recession.

Already by mid-1995, the economy has been expanding for four years and stock markets have climbed to record-breaking heights. Since the beginning of the year, the Toronto Stock Exchange composite index of 300 companies gained 300 points to a high of 4,719, before last week's sell-off knocked the market down 88 points to close at 4,630. And the New York Stock Exchange and the NASDAQ market, which specializes in smaller, technology-related stocks from the NYSE, had soared even more as investors bet that interest rates would be forced to fall. From after the sell-off last week, Toronto was still ahead 13 per cent since the beginning of the year, New York was up 33 per cent and NASDAQ has gained 32 per cent. Technical analyst Leon Tury of Leon Tury Inc. in Vancouver believes the markets still have another sustained rally to make before it turns bearish. "Not only is there no recession," said Tury last week before the sell-off, "the markets are inflating so that sometime late this year onward we'll see stronger growth in the United States. When that happens and interest rates start to rise, there will be one hell of a shake."

And a shock, albeit short-lived, as just what happened last week. "I don't think the correction will last long," Tury said. "I will be just buying opportunity." But he also suggested that the bull market could be approaching its third and final stage before a major setback arrives. "The final leg is usually short, sharp and driven by speculation," he said. "It's when both ends of the money pyramid are sitting on the side-laws. I think next year we could witness a similar blow-out. It's going to depend on how long the economy keeps going."

Already, there are clear signs of overbought in the Canadian market. Retail investors recently began a significant move back into mutual funds. Since last sophisticated retail investors tend to return to the market when it gets near the top, a booming mutual fund industry is often seen as a sign that the market is near a peak. Net mutual fund sales hit \$1.5 billion, compared with a sales slump of \$800 million in the same month a year ago. Sales were down from \$689 million in May.

Still, other indicators suggest that the market's momentum, its significant room to rise before it hits the ceiling. The key ratio of stock prices to earnings remains at a historically reasonable level of about 14:1 on the Toronto exchange. That means that even though stock prices have climbed this year, some companies' earnings have kept pace. Individual sectors, in particular the technology stocks, have become more overvalued. Price-to-earnings ratios for many of the more than 1,000 companies each dollar of profits that it earns, have been soaring in the technology

followed by its own one-quarter point cut in the cost of the overnight money it lends to financial institutions, and the chartered banks, in turn, cut their prime rates by a quarter of a percentage point to 4.5 per cent. The U.S. rate reduction followed on the heels of remarks made by Greenspan a month earlier, when he cautioned that a cut in weak economic statistics indicated "that the probabilities of a recession have edged up."

Although the abrupt change from that comment to last week's optimism was unusual for the head of the Federal Reserve, Greenspan has been breaking new ground with his monetary policy since February, 1994. At that time, the Fed began raising interest rates well before any signs of serious inflation had appeared. As to what the Fed's next move will be, Cooper noted that when it starts lowering interest rates, it usually cuts them several times in a row, and the total amount of the cuts usually amount to much more than one-quarter of a percentage point before it finishes raising.

But in the past 38 months, the Fed has experimented with a new approach to its interest rate policy that is aimed at breaking off inflation before it starts. As a result, however, investors are less sure of indicators of the future. However, Cooper says that the same basic similarities between the current period and 1986. At the time, the economy slowed down dramatically after three years of growth and then surged ahead in 1987, leading the stock market first to buy gains and then, as bubbles, in a major crash.

Already by mid-1995, the economy has been expanding for four years and stock markets have climbed to record-breaking heights. Since the beginning of the year, the Toronto Stock Exchange composite index of 300 companies gained 300 points to a high of 4,719, before last week's sell-off knocked the market down 88 points to close at 4,630. And the New York Stock Exchange and the NASDAQ market, which specializes in smaller, technology-related stocks from the NYSE, had soared even more as investors bet that interest rates would be forced to fall. From after the sell-off last week, Toronto was still ahead 13 per cent since the beginning of the year, New York was up 33 per cent and NASDAQ has gained 32 per cent. Technical analyst Leon Tury of Leon Tury Inc. in Vancouver believes the markets still have another sustained rally to make before it turns bearish. "Not only is there no recession," said Tury last week before the sell-off, "the markets are inflating so that sometime late this year onward we'll see stronger growth in the United States. When that happens and interest rates start to rise, there will be one hell of a shake."

And a shock, albeit short-lived, as just what happened last week. "I don't think the correction will last long," Tury said. "I will be just buying opportunity." But he also suggested that the bull market could be approaching its third and final stage before a major setback arrives. "The final leg is usually short, sharp and driven by speculation," he said. "It's when both ends of the money pyramid are sitting on the side-laws. I think next year we could witness a similar blow-out. It's going to depend on how long the economy keeps going."

Already, there are clear signs of overbought in the Canadian market. Retail investors recently began a significant move back into mutual funds. Since last sophisticated retail investors tend to return to the market when it gets near the top, a booming mutual fund industry is often seen as a sign that the market is near a peak. Net mutual fund sales hit \$1.5 billion, compared with a sales slump of \$800 million in the same month a year ago. Sales were down from \$689 million in May.

Still, other indicators suggest that the market's momentum, its significant room to rise before it hits the ceiling. The key ratio of stock prices to earnings remains at a historically reasonable level of about 14:1 on the Toronto exchange. That means that even though stock prices have climbed this year, some companies' earnings have kept pace. Individual sectors, in particular the technology stocks, have become more overvalued. Price-to-earnings ratios for many of the more than 1,000 companies each dollar of profits that it earns, have been soaring in the technology

ROLLER-COASTER RIDE

The Toronto Stock Exchange composite 300 index



But he said, "the most probable outlook is for an upturn in the growth rate over the rest of this year and a moderate pace of expansion next year." The financial markets took that as a sign that the economy is healthy and will probably not need more rate cuts. That caused stock and bond prices to tumble.

Clearly, Greenspan's comments on July 19 caught the markets by surprise. Less than two weeks earlier, the Federal Reserve had cut the federal funds rate for the first time since 1986, apparently because the Fed feared that the economy was about to stall. After lowering the rate from three per cent to one and a half per cent, by September 1994, it is now slow enough U.S. economic growth, the board cut it by one-quarter of a per cent to 0.75 per cent on July 6. The Bank of Canada announced



Susan Leach's thought: "speculation" in the market is rampant

sector. While so affordable price-earnings ratio is usually considered in the range of 12 to 15 for each \$1 of earnings, some technology stocks have risen three and even four times that level. Before the market collapse last week, Corel's price-to-earnings ratio was about 30 and Dell's was almost 20. But stock prices in other sectors, such as the cyclical resource industries, have remained relatively low because the buying frenzy has not struck them yet. With earnings continuing to climb in most industries, that suggests that many stock prices still have room to rise, and therefore the stock market case still stands.

In addition, the real-estate-linked stock segment of the market is still looking at low price-to-earnings ratios. Small-city stocks have been in the later stages of a bull market. See Coleson, a mutual fund manager who specializes in the stocks of small companies for Atlantic Management Ltd. of Toronto says that most of the so-called small-capital stocks are still undervalued—even though their fundamental financial performance is improving. "In the U.S. market, the high-tech sector has only cooled off; there are companies with prices 40 or 50

times earnings," said Coleson. "Maybe that's overdone, maybe not. But the Canadian market still looks like it has stocks with lots of value." Coleson says the price-to-earnings ratio of one index of small- and mid-capital stocks is just 31, far each \$1 of profits, a level that suggests cheap stocks can be found.

For his part, money manager Jim Gaskin, of Gaskin Sheff and Associates Inc. in Toronto, is also optimistic about the potential of the stock market. He says that he is con-

vinced that the economy is heading for a long period of slow but steady growth. "That is nothing like 1992," he noted. "In 1992, the economy was booming, not crawling along like this." Gaskin insists that the economy is positioned to experience a prolonged period of low inflation growth. And he says that he is now turning to the technology sector, despite arguments that it is overvalued now—and the fact that he owns almost no technology stocks at the moment. He does hold as an example of a technology company whose shares are still trading at a reasonable price: "It's a lending company in a lending industry," he said, "and the shares are trading for not that much more than 18 times earnings. What's not to like?"

But Gaskin's most convincing argument for buying into the stock market now is his view of the market's state of mind. "In a so-called bull market, everybody's euphoric," Gaskin said, "and the market just ignores bad news." Last week, the stock market certainly reacted to the bad news, even when it was good.

BRONDA DRAZDIN

Turbulent skies

Canadian Airlines is at odds with its unions over a marketing deal



At most companies, giving the corporate logo on a sports centre would be seen for what it is: one part of any comprehensive marketing and promotion campaign. In recent years, General Motors of Canada Ltd. has hung its name on GM Place, home of the Vancouver Canucks hockey team, and Air Canada Centre is set as the future home of the Toronto Raptors basketball club. But last week, when Canadian Airlines Corp. pledged to spend about \$20 million (the company will not confirm exactly how much) for a 10-year deal that will turn Calgary's Olympic Saddledome into the Canadian Airlines Saddledome, the announcement infuriated some of its 22,900 unionized employees. After all, they declared, the controversial airline is in the midst of negotiations aimed at winning \$125 million in salary concessions and productivity improvements from them. "Our members were already disappointed—they felt this was very inappropriate," said Tom Eaton, Vancouver-based spokesman for the 1,000-member International Association of Machinists and Aerospace Workers. "The company has some shuttles problems, and we would suggest this is not the proper time for such a move."

For its part, Canadian Airlines defends the Saddledome deal as neither way of promoting the airline using its existing marketing budget, the company spends over \$700 million annually on marketing, sales and customer services. Furthermore, Canadian's executive officer, Kevin Jenkins, 38, is the first to acknowledge that his company faces significant problems. At the top of the list, he says, is the challenge of transforming a company with 1980s-style collective agreements with six different unions into an airline that can compete in the global deregulated business environment of the 1990s. Jenkins says the time for change is now: despite a \$200-million

investment by employees in 1993 and a \$246-million capital infusion from AMR Corp. of Fort Worth, Tex., in 1994, Calgary-based Canadian lost \$18 million last year on revenues of about \$3 billion. Over the past five years, the company has lost a whopping \$1 billion, the result of the expense and its cost-cutting price-cutting battle with Air Canada. But getting a new regime off the ground is proving difficult. In May, Canadian initiated voluntary talks with some unions aimed at reducing the company's fixed costs. But at least one of the six unions, the flight attendants, refuses to even get involved in the process before its contract—and that of the other unionized employees—expires at the end of the year. The flight attendants are represented by the International Association of Flight Attendants and Cabin Crew, a union spokesman says the workers made concessions in 1993 to get the contract but expects it to be a tough one to live with, and will wait for that to expire before breaking new ground.

Canadian Airlines went to the walk in 1993 when a cash squeeze led to a painful restructuring and a fairly weak bankruptcy. At that time, workers volunteered some ideas for cost-cutting, and in 1990 airlines over four years to save the company—and their jobs. In exchange, they acquired a 25-per-cent stake in Canadian and two seats on the board of directors. Those concessions, in turn, paved the way for the investment of AMR Corp.—parent of American Airlines Inc.—in exchange for a 33-per-cent stake in Canadian.

But despite such saving measures, the air-

line still faces a turbulent future. A joint letter from management and union leaders was sent to all Canadian employees in May. It set out two clear scenarios for the airline. Plan A, which called for growth in several markets, no layoffs, but \$125 million in voluntary operating cost cuts, and Plan B, which outlined the potential for layoffs resulting from cuts to Canadian's domestic operations and its aircraft fleet. The letter stated, "The airline cannot afford to continue with its current cash flow and surplus."

To keep Canadian afloat, Jenkins must now bring down the cost of carrying its passengers, currently about 13 cents per available seat per mile. The goal is to pare operating expenses through across for nearly 30 per cent of Canadian's overhead to compete with those of its Montreal-based rival, Air Canada—at 10.5 cents per seat—and seven cents per mile incurred by such upstart charter airlines as Canada 800 Airlines Ltd. of Toronto.

To keep Canadian's operating costs down is fairly, however, Jenkins must win the co-operation of its workers. Many appear to feel that they have already made a sufficient sacrifice. Among them is John Doolan, chairman of the Canadian Airlines section of the Canadian Air Line Pilot Association, and a key supporter of the 1993 employee cost-cutting program. Last week, Doolan said, "I dispute that you can realize all the needed savings by changing workplace rules. Our workforce compares favorably with other North American airlines—we operate at 86 per cent of the cost of the average airline."

But far many employees, Canadian's pricey sponsorship of the Saddledome has reopened old wounds. Says Jim Bailey, president of the Winnipeg chapter of Canada's machinists union, "When airlines are tight, you wonder if this is the best way to spend money." But, he added, "The Saddledome is easier to swallow than the bonuses and the share price to employees last year. That really hurt." He felt, while employees were trading their wages for shares purchased at 80 cents each, Jenkins received three million shares at 40 cents each and three other executives split a total of \$450,000 in bonuses. Says Bailey, "The Saps Bailey" is in the back of everyone's mind. The only deal will be one where we will sacrifice." With these sentiments in the air, it may take more than a new name on a Calgary badge to get Canadian Airlines on a flight path to sustainable financial stability.



Jenkins, Saddledome's top airline official

shares at 40 cents each and three other executives split a total of \$450,000 in bonuses.

The Saps Bailey

is in the back of everyone's mind.

The only deal

will be one where we will sacrifice."

With these sentiments in the air, it may take more

than a new name on a Calgary badge to get

Canadian Airlines on a flight path to

sustainable financial stability.

ANDREW WILKES

Is the **PAPER MATE. DYNAGRIP** a great pen because IT'S so comfortable OR because it writes really smoothly?

The Dynagrip pen comes with an air-cushioned grip for unsurpassed writing comfort. The Lubriglide ink system lets the pen virtually glide across paper to give you bold, vivid lines. Does that make Dynagrip the perfect pen?

In a word, yes.

PAPER MATE. DYNAGRIP

©1994 The Gilson Company

Business NOTES

The insiders win the battle

After a contentious five-week bidding war, the existing management of the 100-million-sq-ft Toronto-based John Labatt Ltd. cabled a winning \$50-million offer for its assets that include television sports networks TSN and RSN, an 85-per-cent stake in The Discovery Channel, and Dine Productions Inc., a video production studio facility in Toronto. The entertainment companies, known as Labatt Communications Inc., were put on the block by Belgian-based billionaire who, until now, had been a shareholder. Labatt's bid was approved last week for its \$2.3-billion takeover offer. However, plans to focus on attention on Labatt's beer-making operations.



Craig, management buyout

Labatt's bid was approved last week for its \$2.3-billion takeover offer. However, plans to focus on attention on Labatt's beer-making operations.

has bought a 20-per-cent stake that may be increased to 33 per cent if federal regulations on foreign ownership of Canadian broadcasters are relaxed. The deal still requires regulatory approval.

Craig, who has run LCI since 1984 and worked for 28 years at the CBC, promised that the broadcast companies will continue to grow, and TSN will be the engine for expansion. The Toronto-based sports network is expected to post an estimated profit of \$60 million in 1993. It is currently Canada's most popular specialty channel. Craig's consortium also took a number of other bids, including offers from Alliance Communications Corp. in Toronto, and Winnipeg-based Cdn-West Global Communications Corp. Disappointed

competitors complained that the management group had access to information not available to outsiders. But Craig insists that LCI has always been the business and that the deal is available to outsiders throughout the bidding process.

large as the offshore Hibernia field, which is currently being developed by a consortium to include Enbridge, industry experts predict that the new field may contain as much as 200 million barrels of oil. Newfoundland plans to significantly increase from oil and gas production facilities.

The companies usually spend \$15 million or more each time they drill wells that store up where they use horizontal drilling technology to search for oil under the ocean. Newfoundland Minister of Natural Resources Rex Gibson says other oil companies may also be permitted to start drilling new year. Government employees have tried to get oil companies interested in the field as part of a new strategy. The province is expected to produce significant tax revenues generated by another major natural resources find: the massive natural deposit recently discovered in Viceroy Bay, Labrador.

A BETTER OUTLOOK

Economic data from Statistics Canada indicates that the economic slowdown may be almost over. In May, Canadian consumers increased their spending for the second consecutive month. Retail sales rose 0.4 per cent to \$17.4 billion. That follows a 0.3-per-cent gain in April.

BIDDING WARS

Home Oil Co. Ltd. of Calgary obtained its oilshovel when a \$1.1-billion takeover bid from Amoco Canada Petroleum Co. Ltd. is unsuccessful. In a document related to shareholders, Home management says that it is optimistic that a more realistic offer will be forthcoming. Home, which lost \$300,000 in the first three months of this year and lost 115 of its 750 employees, has been a takeover target since the Reichman family sold its 60-per-cent control stake of Home into the market in 1993. Amoco's bid expires on Sept. 7.

SEEKING INSURANCE

Landon Life Insurance Co. of London, Ont., is asking the federal government to allow the life insurance industry to offer banking services to its clients. Currently, Canadian chartered banks are allowed to offer insurance, and Landon Life contends that insurance companies should be able to offer checking services and payment cards to give customers more choice. The finance department is now reviewing its financial services legislation with an eye to making amendments in 1997.

PAPER PROFIT

Kimberly-Clark Corp. of Dallas has agreed to acquire Scott Paper Co. of Boise, Idaho, for a stock-exchange deal valued at \$9.3 billion. The merger will create a \$15-billion personal-care household products company that will rival industry leader Procter and Gamble Co. The transaction will be completed later this year.

ATTENTION SHOPPERS

The second-largest U.S. retailer, troubled Kmart Corp. of Troy, Mich., is in the midst of a strategic review that may result in the sale of its Canadian discount store operations. Kmart Canada Ltd. now operates 128 stores across Canada. Kmart is suffering from the aggressive expansion and price-cutting strategies of its two principal rivals, Zellers Inc. and Wal-Mart Canada Inc. Kmart posted a loss of \$6.6 million on sales of \$1.22 billion for the year ending Jan. 28, 1994. That included a restructuring charge of \$60.3 million.

THE NATION'S BUSINESS



Pushing Canada's last megaproject

BY PETER C. NEWMAN

The fact that Newfoundland Premier Clyde Wells last week challenged a \$50-million offshore supply contract awarded to Nova Scotia-based Conpro Helicopters Inc., demonstrating that the contractor never let it be known at Conpro Helicopters Corp. of Newfoundland, was another typical of the Hibernia project that has been mired in controversy since its start five years ago.

Hibernia Management and Development Co. Ltd., which is overseeing construction and operation of the \$1.6-billion project by its four participating oil companies—Shell, Chevron, Murphy and Petro-Canada—said the premier that it has never reversed a contract and that it stands by its deal.

Still, despite the continuing suspicion that it will deliver the world's most expensive oil from the north's most vulnerable environment, Hibernia is on track and due to deliver its first oil from the field 200 miles southeast of St. John's by December 1997. It depicts platform a North American—and probably the world's—largest current megaproject, having been dubbed by some members in the industry as the eighth wonder of the world. It's actually the sixth, they kept to count Ralph Klein (U.S.) Canada's once over-enthusiastic supporters—such as the Great White North's power establishment in northern Quebec, Jack Gallagher's oil dilemma in the Arctic's Beaufort Sea, the Lloydminster heavy oil upgrade as the Alberta-British Columbia border and the doubling of oil sands production at Alberta's Fort McMurray—Hibernia is the only one still alive and kicking.

Its controversy dates back to its birth and purpose. Discovered in 1976, the offshore became the subject of a bitter federal-provincial jurisdictional dispute settled in favor of Ottawa in 1983. The current deal was negotiated by the Mulroney government in 1990, partly as a step to encourage oil self-sufficiency for the Atlantic provinces (which now export 220,000 barrels a day), but mostly as

Boosters call the Hibernia project the eighth wonder of the world. It's actually the ninth: they forgot to count Ralph Klein.

a regional make-work project. At the time, John Crosbie, Newfoundland's senior minister in Ottawa, insisted to cheering Canadians on the fact that "this crosses several frontiers of jobs." That was the kind of make-work project #1. Characteristically, Wells accused Mulroney of unfairly pushing the deal in federal lapses for his province. "The government that will benefit most from Hibernia is the federal government," he charged.

"It is not going to produce an economic stimulus in Newfoundland or result in the kind of economic benefit for this province that I would like to see. So, when you hear claims of these federal politicians—John Crosbie and Brian Mulroney—say, 'Look at what we're doing for Newfoundland,' get the real truth of it: Newfoundland has made one hell of a lot of concessions."

The fact is that more than 60 per cent of the \$4 billion spent on Hibernia to date has gone to local suppliers and workers and, if current prices hold, the provincial government is due to receive \$1.5 billion in royalties by 2018. The political motivation for going along with Hibernia was that it would create a province with a 37-per-cent unemployment rate. The construction phase has

employed as many as 5,000 people, but 800 were out-of-province specialists who belonged to closed-shop unions. Worse, once Hibernia enters its operational phase, 28 months from now, the workforce will be cut to about 800 employees, plus another 500 people manning land support units.

The supply last month of a year when Gulf, one of its founding partners, dropped out in 1992, and Ottawa had to come up with an extra \$280 million to purchase a further \$5-per-cent stake in the project. Its original grant of \$1 billion had already been surpassed by a \$1.6-billion loan guarantee, plus significant tax deductions to the private sector partners involved. Three years ago, the auditor general pegged Ottawa's total exposure at \$4 billion.

While Hibernia is expected to recover \$25-million barrels of oil, its eventual profitability has been a matter of constant debate. Ian Doig, an authoritative Calgary energy analyst, once estimated that Hibernia's extraction cost would be the equivalent of \$38.20 (U.S.) per barrel, which would make it the world's most expensive oil. Company spokesmen now insist that over the life of the project, the cost will be \$13.45 to \$16 in currently selling at \$17 (U.S.) a barrel. Similarly, it isn't clear whether Canadian refineries would have to handle the high-sulfur crude produced by Hibernia, because it works on storage tanks and ships to refineries in the U.S.

Meanwhile, 60 per cent of the work on the huge concrete pedestal and 65 per cent of the labor on the top-side modules that will make up the drilling platform have been completed. The 800,000-ton structure, which will be more than two-thirds the height of the Eiffel Tower, is due to be lowered onto its drill site in the summer of 1997.

The cost may be placed near the North Atlantic's rocky edge. It's one of the many reasons of the project that two of its institutional sector partners (Shell and Chevron) joined up at least to receive \$1.5-billion environmental remediation and protection funds. But drilling fields they owned off the coasts of Florida and California. While there are no refineries in these latitudes, authorities still considered the offshore drilling too environmentally risky.

Active environmental arguments, the Hibernia people offer the fact that the area's relatively shallow water depth (averaging 300 feet) will keep out the really large bergs, that the rig's huge bulk at the southern limits of most of the drift ice, and that its platform is designed to withstand, not only icebergs, but 130-ton waves under full force. The rig will have four hibernian hazards to its own and third life in the area, and so, in an extra safeguard, the oil will be taken off the Hibernia tower by double-bailed tankers.

With the Grand Banks fisheries at least temporarily enhanced, the Hibernia project may be one of the great oil and gas deals that will subside the work. By the time they return in large numbers, the oil will be flowing and Hibernia's controversial birth will be history.

Black gold rush

PacCanadian Petroleum Ltd. struck oil on the rocky shores of western Newfoundland, and the Calgary-based company now plans to nationalize additional drilling with partner Hard Oil Co. of Dallas to further map out the find. There is a preliminary economic report. PacCanadian is off on the part as part of a new strategy, and plans to drill a second well about 10 km away, with Mobil Oil Canada Ltd. of Calgary also joining the consortium. A third well may be started by end 1994. Talmont Energy Inc. of Calgary and St. John's-based Viceroy Petroleum Ltd. have also expressed they will drill a test well in the area this year.

Although both PacCanadian and Hard are related to release details of their find, some analysis are suggesting that it could be as

Have clubs, will travel

Out on the practice green, the young men who ply the outer leagues of golf are losing their groove prior to the start of the PGA Tour's season. The province of loss and sponsors' banners announces that a tournament is on, but it is a far cry from the lush PGA Tour or the British Open being played the same weekend. The event is being staged at the grandly named Royal Woodliffe Golf Club, a public course that is incredibly close to the runways of Toronto's Pearson International Airport and across the street from a bygone suburban. The course is the last of the tour's events from all over—the United States, Mexico, Europe, Australia, New Zealand, Africa and, of course, Canada, that they have much in common. In the centers of their sport—polo shirts, cotton pants and spandex caps—they crutch over just off putt, searching for the stroke that will consistently drive the ball to the hole under pressure. A shot here and a shut there, they can't keep them from getting to the top-tier U.S. Tour—at least, that's what they keep telling themselves. "I'm here to learn, to get better, to move on," says Ian Leggitt, a 20-year-old from Cambridge, Ont. "We all are."

To most Canadians, professional golf consists of the PGA and LPGA Tours, which can be seen on TV on most weekends. But fewer than 60 golfers have been able to play their way onto the U.S. tour. The thousands of professionals who dream of climbing to the top tiered compete on smaller circuits around the world.

As a result, many of the ones on the 11-tournament Canadian Tour that travels west to east from June through August spend the early months of the year playing smaller events in South Africa or Asia, in the so-called minors in parts of the United States. This has not the money tournament money as the Canadian circuit just paid \$14,000 to \$22,000, about one-tenth the payout on the PGA Tour. For example, last year the Canadian season, the leading money winner, Trevor Goddard of Nanaimo, had won a total of \$14,193.75—800 more than double his expenses. "It's expensive, all the travel," says Ian Hutchings, a 27-year-old Zimbabwean who must second on

Struggling golf pros pursue their dreams on the Canadian Tour



Leggitt (left), Hutchings (right), get better and move on

the money list with \$48,172.50 last week. "You really have to want to be here," Hutchings says. "I'm not rich, but if you successfully make this the de facto LPGA Series, the only developmental events in Canada for women professionals. Started by former pro Joyce Neumann in 1989, the series has grown from six events with 25 players to five events with up to 60 competitors each, its top prize, however, as a total of \$2,500. The men's circuit is also improved from a decade ago, when there were few tournaments, fewer sponsors and no major organization. Led by founding cosponsor Bob Beauchemin and the current

co-sponsor, Dick Green, the Canadian Tour has grown into one of the preferred second-tier circuits in the world. From eight tournaments and a total prize of \$670,000 in 1990, the tour now offers 11 events and \$2.3 million in prize money. As well, players now get discounted rates at certain hotels and on Canadian Airlines, and representatives from equipment companies such as Titleist and Mizuno hand out free gear before each round. "For a lot of the guys, the transition to professional golf can have a few hiccups along the way," says Beauchemin. "They need places like this to learn to compete, and they need to be able to make a living."

Despite the financial discrepancies, there is little that separates the top Canadian Tour players from their more illustrious counterparts. Hutchings' leading average score of 69.94 for 18 holes in Canada in just six of Greg Norman's PGA Tour-best 68.97. That close is not good enough in golf. South African Marny Zeman, 25, compared head to head with Phil Mickelson while the two were giants at U.S. college golf. But while Mickelson has become one of America's biggest stars since graduating, Zeman has not been able to even his PGA Tour card, instead, he is travelling across Canada, staying with friends when he can and, like everyone else, trying to win. "It's not really a shock," the San Diego resident says of his modest success. "I look at it as a place to learn and to get better. I don't matter whether it's Canada or Asia or Europe."

The dream of making it into the top leagues does not end easily. The players are encouraged by the success of Canadian Tour graduates such as New Zealander Greg Wate and American Mike Spranger and Mike Hauer, who have all gone on to win in the United States. Another alumnus, Steve Stricker, has earned more than \$400,000 on the PGA Tour this season. South African Roger Wootton, who played in Canada in 2004, is now competing on the European Tour. Leggitt, who plans

to play qualifying tournaments in the summer to get a berth on the U.S. tour, says it is time to write his own success story. "If one of us becomes a Top 100 player in the world, it will do a lot for Canadian golf," he says. Hutchings, who once arrived to the Tampara Tour, is also aiming for the U.S. Tour after playing in last year's Canadian Open. "It was my first PGA Tour event," he said during a break in the last week's tournament. "I'll tell you, those guys don't know how good they've got it." With that, he headed back into the practice green.

JAMES HANCOX

JUSTICE

'I have put my faith in God'

Why did Susan Smith kill her children?



Just outside Union, a town of 8,000 nestled along the rolling hills of north-central South Carolina, is John D. Long Lake, where Michael and Alex Smith, the boys' mother, Susan Smith, let her biggest mistake plunge her down a boat ramp into the lake's murky waters last Oct. 25—with Michael, 3, and Alex, aged 14 months, strapped into their car seats. Last month, Smith stood trial for murder in a Union courtroom, as alleged slayer had when on the shores of the lake. A faded photograph of the boys in their key dets reveals not many children's faces—James Lee and Paddy Spay 1-3-3—and notes expressing the love and anger of the bodies of mothers. Among the tourists was Laura Smith, a retired utility company worker who drove the two hours from Charlotte, N.C., "I can't help but cry every time I come down here," said Susan. "I don't think I can cry to the point where I am sure that should be put to death, but I think she should pay."

Just how much Susan Smith should pay with the death of her two children, the victim of a series of events of violence of the southern town. In deeply religious Union, Smith's tale of seduction and murder has tested the community's sense of Christian faith. For Smith, even more so at stake. Because the 28-year-old secretary no longer is a girl, the court recorded a not guilty plea on her behalf. But over the weekend, after deliberating for just 10 hours, the jury of nine men and three women pronounced her guilty of first-degree murder.

This week, the jurors were to retire again to consider whether she should face execution or life in prison—a decision that would likely hinge on testimony about her state of mind at the time of the killings. There was little dispute about the facts. For many days after the boys drowned, Smith stuck to her story that an armed black man had accosted her, stealing her car with the children inside. Afterward, Smith and her then-husband, David, appeared on national television, pleading for the boys' lives. But finally, Susan Smith broke down and confessed to police.

According to the prosecution, the boys' murder was the result of a cold, calculated decision. Smith, they alleged, was distraught over being pulled by Tim Fladley, a wealthy graphic designer with whom she had been having an affair since December, 1993. Fladley broke off the relationship in a letter that Smith received on Oct. 18. "There are some things about you that aren't suited for me," the letter reads, "and yes, I am speaking about your children." The prosecution alleged that Smith, intent on getting Fladley back, concocted a scheme to remove the boys by attacking blacks in the lake with her last-named, Alex and Michael.

Fladley's testimony, however, seemed to bely the prosecution's depiction of Smith as a scheming adulteress. As Smith sat stone-faced in the dock, Fladley, a slightly balding 26-year-old, described her as "very loving, very caring—a good friend to everyone." He said that he had three conversations with her

Smith, her state of mind is in focus

on the day of the murders. The first time, she told him that David Smith had threatened to kill people that she had had sex with her stepfather, Beverly Russell, and with Fladley's father, Gary, who was also her boss. Later, she told the younger Fladley that she may never see him again. "It seemed very clear she was suicidal," he testified.

That statement may well have played into the hands of Smith's defense team, led by David Bruck, a Miami-based lawyer and a staunch opponent of the death penalty, though not contesting Smith's responsibility, the defense attempted to mitigate her guilt—and keep her out of the electric chair—by insisting on her history of sexual abuse and mental instability. According to Bruck, the boys died in a failed suicide attempt by Smith, who had driven to the lake intending to die with her children. "She believed the children should go with her, but the body won't live," said Smith lawyer Judy Charles. "Over the car began rolling, those children were lost and Susan's life was lost."

In the defense's version of events, Smith's life was marked by tragedy. Her father committed suicide when she was only 6. Her stepfather, Russell, a prominent state Republican and member of the conservative morality group the Christian Coalition, molested her when she was a teenager. And Smith, whose depression is now being treated with Prozac, had attempted suicide before, once in 1980 and again in 1989—almost only by taking a small dose of aspirin.

Surprisingly, given the nature of her crime, sympathy for Smith now exists among some people in the area. Part of that which can be ascribed to outrage at David Smith—seen as capitalizing as tragically with his book, *My Life After My Life with Susan Smith*, for which he netted a \$20,000 advance. But there was also a growing sense last week that Smith simply "snapped," as the defense would label it. "Everybody can make a mistake in life," said Joseph Carter, a camp counselor at Mount Sinai Baptist, a black church in nearby Spartanburg, who brought a handful of children to John D. Long Lake. Sympathy has come from even more unlikely sources. FBI agent Evan Smith testified last week that he met Smith after reading Smith's confession. At no point, Smith recalled, Smith asked me if I thought God would forgive her. I said, "Yes."

God and redemption—these are recurring themes in the story of Susan Smith. In her signed confession, Smith wrote she is confident that her children are with "My Heavenly Father" and asks from further harm. As a mother, she added, "That means more than words could ever say." As for herself, she was remarkably optimistic: "I have put my total faith in God and he will take care of me." For the here and now, though, Susan Smith's life ended in the hands of 12 very human beings.

JIM CHIDSEY with TERRY DECKER in Shaw

A bold and blissful leap of faith

BY BRIAN D. JOHNSON

In *Double Happiness*, Vancouver director Mike Sham's extraordinary feature debut, one of the most touching scenes involves an audition. The movie's heroine, a Chinese-Canadian named Jade (Sandra Oh), is testing for a bit part as a waitress in a TV drama. Facing a tribunal of five men in an antique warehouse space, she simply reads her two lines. "Anything to drink with that?" and "Would you like gray with your food?" The director suggests she try it with an accent. "What kind of accent do you want me to do, a French accent?" Jade asks, with a smile and a waxy French inflection. The director looks back at her as story editor. Chastened Jade apologizes and gives him what he wants. "Yes," she says, lowering her gaze and looking suddenly fierce, "a very good Chinese accent like the lady you."

Both the star of *Double Happiness* and its writer/director have lived through such auditions in real life. Sandra Oh, 24, and Mike Sham, 29, both grew up in Canada. But, as struggling actors in Asian descent, they became all too familiar with the reality of ethnic casting. "After



Oh/Sham: Their careers have converged with a rare kind of magic

The double life of Sandra Oh

It is a movie in which life and art contain each other like a series of Chinese boxes. Sandra Oh, who took up acting against her parents' wishes, plays Jade, who takes up acting against her parents' wishes. Vancouver writer-director Mike Sham based *Double Happiness* on her own adolescent struggle for independence, but Jade's role fit Oh like a second skin. In scene, Jade says that when she wants most is "to see an Academy Award. I'd get nominated for a really dramatic part, something really hard, something I'd do, like, gain weight for." Last year, Oh won the Best Actress Globe for *Double Happiness* and related audience members to learn with one of the most emotional acceptance speeches in contemporary cinema speech worthy of an Oscar. Bushdollar, Shari Gunnerson, who directed Oh in the 1994 CBC movie *The Day of Evelyn Lau*, grinned and said, "Well, she is an actress, you know."

Sitting at a restaurant patio last week, across the ocean from her home in Montreal, Canada, Oh laughed off any suggestion that her Globe performance was anything less than genuine. But it was really her character who received the award, she said. "People ask what happens to Jade at the end of the movie. It's great—she was a winner."

Oh, who turned 24 last week, first emerged as one of Canada's most exciting young actors. Fresh from five years of rigorous training at the National Theatre School in Montreal, she burst on the scene with a visceral performance in *Cherise Lau*, a Vancouver writer's harrowing true story of her teenage years as a prostitute and drug addict. Oh won acclaim last January in a London, Ont., production of *Shoreline*. David Mamet's grunting drama about a female student who charges a professor with sexual harassment. "She throws herself into roles so completely," says

Sham. "Stage presence—she's got it coming out of her ears."

In person, Oh comes across as a vivacious free spirit, a young woman ready to take on the world on her own terms. The actor, who became an impressive presence on the party circuit at last fall's Toronto International Film Festival, clearly enjoys a good time. "I love drinking. I love sitting—just love it," she says, after agreeing to split a bottle of wine over lunch.

But Oh is dead serious about her work. Gunnerson, who cast her in *Lau*, says, "Sandra is a rare combination of a method actor with great craft. She plays everything from the inside out—the sense of sublimation, the desire to do something that isn't really accepted, the cultural split, being a first-generation Asian-Canadian." The director recalls that when Oh auditioned for *Lau*, she had the nerve to ask for 10 minutes to get into the mood. "She rejected this part," he says. "Sandra is able to reach deep down inside herself and project incredible vulnerability. But the reason she's able to do that is that she has a character of steel."

careers crossed paths, serendipitously, in 1991. Sham and Oh were among 2,000 Asian actors who auditioned for the title role of a teenage prostitute in the CBC-TV drama *The Day of Evelyn Lau*. On the way to a huge break for her—while Sham landed a minor role as *Lau's* social worker. The two finally met on the set in Vancouver. By then, Sham was looking for someone to star in *Double Happiness*, her semi-autobiographical tale of a Chinese-Canadian girl at odds with her parents. In Oh, a first-generation Korean-Canadian, she found a remarkable talent—and an alter ego whose experience reflected her own with amazing fidelity.

Like Jade in *Double Happiness*, both Sham and Oh were torn between two cultures as teenagers. Defying their parents' wishes, both left home at 16 to pursue theatrical ambitions. And now, their careers have converged with the kind of magic that happens only in the movies. As a bilingual casting director, comely *Double Happiness* is a variation on one of the most overworked genres in Canadian cinema. But it's more timely fresh and innovative—and not just because it turns a personally unacknowledged corner of the cultural mosaic. Yes, Sham is the first Chinese-Canadian woman to direct a widely released feature film. But her real accomplishment is that she has broken with a tradition of casting-of-color racism to create a truly, vividly multiethnic portrait of the artist as a young woman.

Produced for just \$1 million, *Double Happiness* is living up to the good fortune suggested by its title. It has won awards at film festivals in Toronto and Berlin, as well as two Genies (including Best Actress for Oh's performance). And this week, the movie opens commercially in both Canada and the United States, a rare feat for one of the usual suspects of Canadian film trading down to American audiences long after their Canadian run. *Double Happiness* has received strong reviews: praise from U.S. critics, and *First Look* Features, an American distributor, is aggressively promoting Sham as a new, independent filmmaker.

Last week, during a bite of Szechuan

back intestines in New York City, Sham was still reeling from the Cinderella story of the film's success. "Much me," she said, "I'm still playing emotional catchup. In staying at this designer hotel, the Paramount, a place I could never afford to stay in, myself. Yesterday, I did a Village Voice photo shoot lying on my bed in lingerie. And we put out a 1000 from [The Starbuck's Cherry store] Luscious De Copen for the L.A. premiere—I can't believe those people want to see my movie."

Double Happiness has terrific charm, much of which emanates directly from Oh's complex and candid performance as Jade. The film is told entirely from her point of view, right from the opening scene, in which she talks directly to the camera against a light-colored backdrop. "I said I would never make a big deal out of being Chinese," she begins, winking her family. "They're very Chinese, do you know what I mean? But for the moment, just forget they're Chinese. Just think of them as any old white family. Though you could probably just turn on a TV set and see that I grew up wondering why we could never be the Brady Bunch. The Brady Bunch never existed."

In fact, the family dialogue flows naturally back and forth between English and subtitled Cantonese. The film's simple narrative revolves around Jade's growing emancipation from her parents as they discourage her acting ambitions and try to marry her off to a Chinese lawyer. Jade lands a double life. She falls for a nice white boy named Mark (Kallian Renner), sleeping with him the night right they meet outside a club. The father drives a soft between Jade and her father, played by an actor named Stephen Chang, whose wooden portrayal of repression serves as the movie's one major lull. And all the characters score a little bit compared with Jade.

But on the whole, the film's finely pointed tragic tone, perhaps because it is so close to the director's own family. Just like Jade, Sham grew up with a younger sister, an older brother, a prodigal twin, and a younger brother, a prodigal twin. My sense of purpose breaks to close. You think, "This is about 800 people looking me, this is about me and duty."

For the moment, there is an idiosyncrasy in the drama of Oh's career: the finds herself in that usually Canadian position of being an out-of-work star. She is slated to star in Sham's next movie, *Drive, She Said*, if it goes into production. Meanwhile, she auditioned for the lead of *The Day of Anne Frank* last week in Toronto's Young People's Theatre. This work, she planned to be in Los Angeles, attempting to get a script and promoting the U.S. premiere of *Double Happiness*. From the boards of a small Toronto theatre to the bright lights of Times Square, Sandra Oh still needs a double life. But for someone so good at attaining the line between life and art, Hollywood could well become a second home.

BRIAN D. JOHNSON

A hot film-maker plus a rising star equals Double Happiness



Oh: a young woman ready to take on the world

close to the bone. "You put yourself in dangerous situations just for the experience," she explains. "You get self-destructive." Says Gunnerson: "She went to hell and back."

After the ordeal of playing a teenage prostitute, *Double Happiness* offered some comic relief. Oh recalls that "it was a lot of fun to shoot." But then, playing the virginal student in the controversial *Cherise Lau*, she found another hit. "I'd be told 'You'd get screamed at, you'd get harassed at. People would yell. Will the

Intimidating *Lau's* abused character was traumatic for Oh, whose portrayal of chillingly

teacher mother and a strict father who worked as security guard. Shuen, who emigrated from Hong Kong with her family when she was nine months old, grew up in Vancouver. She spent 5% of her teenage years working part-time in a McDonald's restaurant. "When I was 14, I moved out, and it was the hardest thing I ever did," she recalls. "I was too big for my little life that I inserted out. I should not come out. And you, there was a Caucasian boy. But it was more that I wanted to be an artist. They would have been happy if I'd stayed at McDonald's."

While studying film and theatre at the University of British Columbia, in Vancouver, she was entranced by her parents. "My father wouldn't speak to me," she recalls. Since then, they have reconciled. Her parents, who played bit parts in *Double Happiness*, "were shocked when they saw the film," says Shuen. "It was the first time they knew how I felt. But now they're very proud of their daughter. My father sees me as a successful entrepreneur."

Even after earning a BA in theatre and a diploma in film production and then training as a director at the Canadian Film Centre in Toronto, Shuen maintains that she learned the basics of filmmaking from selling burgers at McDonald's. "It taught me the importance of being able to multitask," she says, "cleaning while you cook, smiling, knowing how many Big Macs are on the grill, knowing there's toilet paper in the ladiesroom, dealing



The cast's fresh spins on the coming-of-age tale

with a limp in the drive-through." During the 30-day shoot of *Double Happiness*, she was occasionally overwhelmed by the complexity of the task she had assigned herself. "The movie includes a jump-scene shot of Jude's family at dinner, with the camera at the centre of the table, swivelling through 360 degrees to track their conversation. It was extremely demanding for a novice director. I never should have done that the first time out," she says. "I remember coming on set crying because I didn't think I could do it."

But Shuen was determined to make a movie with a strong visual signature. "I see this film as a performance in large geometric shapes and curvy colours," she says. "You should be able to spot your eyes and it will be like a poster graphic. I really wanted to make art. I'm so sick of reality—relevance does not exist all the time."

Shuen, with *Double Happiness* behind her, Shuen is happy to up the ante with her next movie, *Dere, She Said*. She has written the script and is waiting for funding. "It's a romantic comedy about falling in love with yourself," Shuen says. She wants Sandra Oh to star, as a bank teller on the lam with a thief who takes her hostage. "It's about our generation at the close of the millennium—we take the traditional path to adulthood, or do we come out our own space?" Shuen, it seems, has made up her mind—to go for double or nothing. □



PRIX GALIEN 1995

RECOGNITION OF PHARMACEUTICAL RESEARCH EXCELLENCE

Schizophrenia drug Risperdal takes 1995 Prix Galien

Canada celebrated excellence in pharmaceutical research and development with the awarding of the 1995 Prix Galien to *Risperdal* at a gala ceremony March 30 in Toronto.

This year's Prix Galien for most innovative drug product was presented to Hoechst Marion Roux for its development of the atypical neuroleptic *Risperdal* (risperidone). First introduced right here in Canada, *Risperdal* has greatly improved the lives of schizophrenic patients without the debilitating side effects of its atypical neuroleptic medication.

The Belgian firm's Canadian subsidiary, Janssen Pharmaceutica Inc., of Monroeville, City, launched the drug in May 1993 after it was placed on a four-drug approval process by Canadian regulators.

Canadian researchers also played a major role in the development of *Risperdal*, conducting one of the pivotal trials that led to the drug's approval for sale in Canada. Mr. Howard, president of Janssen's Canadian subsidiary, said the award ceremony for him was "very proud to accept the prestigious Prix Galien award for *Risperdal*. The Prix Galien is a testament to our outstanding innovation and we are deeply honored to be recognized for this award."

Risperdal itself was generously placed to accept the

award on behalf of the estimated 100,000 Canadians who suffer from schizophrenia, and their families. Over the past 10 years, since the Janssen patent, physicians have been loath to prescribe the more standard neuroleptic medications for treating such symptoms. "While some moved well in these drugs," Hanes, "anxiety, depression, did not—either because of a variety of mild to severe side effects, or because of an overall lack of efficacy," he said.

Now that *Risperdal* is available, physicians have a medication that not only provides superior control of their patients' symptoms of schizophrenia—hallucinations, delusions, hostility—but also is effective against the negative symptoms, such as emotional "flatness," impaired concentration, and social withdrawal.

"Since the launch of *Risperdal* in Canada, we have received hundreds of phone calls and letters from patients and family members telling us how *Risperdal* has helped them," Hanes continued. "If you are involved in the pharmaceutical industry at all, you know that this kind of response is the most satisfying feedback you can receive."



Dr. Jacques Dugail, Dr. Alain Fournier and Mr. Val Tremblay



ETHICAL FUND INVESTORS WELCOME BACK DOUBLE-DIGIT RETURNS.

Double-digit returns on Ethical Funds are definitely something to cheer about. And since Ethical Fund money is only invested in sound companies with an established record of ethical standards regarding the environment, health, human rights and social issues, your Ethical Fund

investment is one you can feel doubly good about. VanCity offers a full range of funds including Global Bond, Pacific Rim, and Special Equity funds. Visit your local VanCity branch today and talk to a Mutual Fund specialist, or call TeleService at 877-7000 for more information.



* Ethical Funds are distributed by Ethical Funds Investment Services Inc., a subsidiary of Credit Union Central of Canada. * Units of the Funds are not insured by any insurer and are guaranteed by any credit union. * Unit prices and profits may fluctuate. Past performance is not necessarily indicative of future returns. * Important information about Ethical Funds is contained in the simplified prospectus, which should be read carefully before investing.



Dr. Peter Schiller

Montreal scientist Dr. Peter Schiller also wins for his important research designing new and safer drug products

The Prix Galien has a second component, rewarding top Canadian research or research being the most recent in pharmaceutical research. The 1995 winner, also announced at the gala dinner, was Dr. Peter Schiller, director of the Laboratory of Chemical Biology and Synthetic Research at the Chemo Research Institute of Montreal.

Dr. Schiller was honored for his 20 years of research at the cutting edge of drug design. His development of techniques to make artificial versions of human body chemicals allows patients to avoid new drugs for a whole range of ailments, including pain and high blood pressure. A pioneer of his work is the development of compounds which can obstruct some of the severe problems of penicillins, like allergies and the development of resistance (where a patient needs progressively more and more of a drug to feel the same effect).

Dr. Schiller was born in Switzerland in 1942 and began his scientific studies in 1962 at the Swiss Federal Institute of Technology in Zurich. He obtained his doctorate in 1971, then did postdoctoral work at Johns Hop-

kins University and the National Institutes of Health at the United States.

In 1975, Dr. Schiller was asked to become the director of the new Laboratory of Chemical Biology and Synthetic Research in the Chemo Research Institute of Montreal, and he has remained there ever since. He is also professor in the Department of Pharmacology at the University of Montreal, and adjunct professor, department of experimental medicine, McGill University.

Dr. Schiller said he was particularly proud to be the recipient of the Prix Galien because Chemo Research Inc. and 179th St. The Chemo researchers, for whom the prize is already well "such a meaningful one."

"It was not only a physician, but even pharmacology, an efficient and a business of medicine. I have always admired researchers who and I strongly believe that we as scientists should break out from our fields of specialization, there have to be more and more a broad vision in science and industry in order to remove some complex for our work."



ROYAL BANK

Official sponsor of the Prix Galien



In praise of the sporting life

BY ALLAN FOTHERINGHAM

After Mickey Mantle received his liver transplant at Baylor University's medical center, the doctor held a news conference. "Is the donor of the liver still alive?" one scribe asked. Dr. Goran Khramtsov looked down from the podium. "You're a sports reporter, aren't you," he said.

Norma Van Brucde was a magnificent Major of Football. Let me quote back and later a coach with a famous bad temper. "If I ever need a brain transplant," he once said, "I want it to come from a sports reporter, because that would mean it had never been used."

We are here today in defence of sports-writing, mainly because this profession used to be a member of the tribe. Serious types on the rest of the paper called us "the toy department." Guys writing about grown men playing little boys' games. That's OK. Nobody gets more looks than a sportswriter.

It is, Mendon said. "Working for a newspaper can be more fun than a quiet job." If you're going to work for a newspaper, you should start out in sports.

It's a simple fact that on any large newspaper the best writing—the most entertaining writing—is in the sports pages. The most amusing writing is in the sports pages. One of the reasons why newspapers are dying (another dead in New York City, I think) is that they have no sense of humor.

The most deadly of all pages in any newspaper is the editorial page—and what is funnier than politics? Any smart publisher could prove his genius by taking his best sports columnist and putting him on the political beat. In the Globe and Mail, they did with Dick Siddons (did word) and once did with Scott Young (did word).

Red Smith, who when alive at the New York Herald Tribune was the best sportswriter in the world. He was always accused at comrades in the press bar who would recount how they had been removed and taken to their schools or colleges and had to retreat to the typewriter only because of



some terrible knee injury "I, too," he once wrote, "could have been a famous athlete. Except that I was small, weak, peppy, and crippled—and a coward."

As down broke one morning, Smith looked out the window of the railway dining car where he and Graustad Rice and his other famous settlers had been up all night playing poker, sharing a bottle of the best fiery liquid and telling tales. As the train whistled through the New York suburbs, thousands of commuters were streaming out of their houses, briefcases in hand. "Look at all the poor suckers," Red Smith said in pity. "Going to work."

The reason the sports pages are so lively is because every sports reporter is, in effect, a columnist—the highest ambition, as we know, of every newspaperman ever born. There are no restrictions, no formulas, just try to get the score right.

I have a theory as to why all the best newspaper people come out of the sports department. It is that noble series reoccurring on jokes go into that field because they were jokes—faded, usually—themselves and on therefore instinctively enthusiastic about what they are covering.

In the ordinary newspaper, is the pay coming never below scribbles misqu岸 by someone? The club on the stock market best absolutely misquoted by derivatives? Of course not. Eschewism wins out every day.

The second reason is that sportswriters live by their eyes. I couldn't believe it, on first arrival in the Ottawa Press Gallery seeing a bored phalanx of scribes rolling their heads in their palms, eyes down as their notebooks, recording the palmer below them in the Commons floor.

Meanwhile as that floor sits dazed, mouths open to any passing fly, read newspapers, gave each other the finger, whispered across the carpet to supposed opponents—silly talkers with the body language all unrecorded.

Those of us who have drifted out of sportswriting—too much Chinese food and beer at 3 a.m. after the Red Game—should there's not much difference in politics. There is just as much dirty play, just as much opening, trapping, boarding, coming in high with the scribes—the only difference being that the stakes are bigger.

The most amusing people started out covering sports. Robert Pallard, who is now the intellectual guru of Canadian journalism and who can't remember and his shoulders let alone see them, started out in the field.

Paul Gallico was the pre-eminent American sportswriter of his time, covering what has come to be known as The Golden Age of Sports. He covered Jack Dempsey, Babe Ruth, Red Grange—all at the grama. In 1930, moving to Switzerland to become a celebrated short story writer, he wrote *Forever in Sport*, in which he explained why he was leaving the field and exposed professionalism in supposedly amateur sports. That was 1930, not 1990.

The best sports columnist in the world today is Jim Murray of the *Los Angeles Times*, who has been legally blind for the last decade. But his eyes still remember. He writes better blind than most do with binoculars. And he has a sense of humor. You can't cover sports without me.

So don't knock sportswriters. They should just stay away from medical news conferences.

When Cappadocia's early Christian settlers moved on, they left behind more than 3000 churches, houses and entire cities carved into and under the surrounding rock. Up until recently, Turkish locals used the abandoned caves as wine cellars. Today, the remnants of Turkey's religious past exist in 3000 B.C.

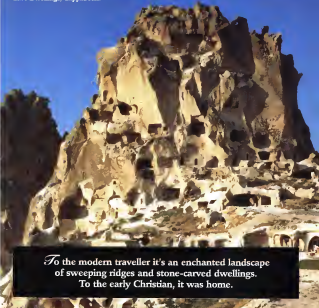
colourful contrast with its modern side, where you'll find prestigious mosques, luxury resorts and warm, welcoming people as rich in character and heritage as the country itself. For your next vacation, discover Turkey; the land that's been fascinating travellers since 3000 B.C.

For a complete information package, contact the Turkish Embassy, Tourism Section, 380 Albert St., Suite 303, Ottawa, Ontario K1R 7X7. Tel: (513) 538-8654 or Fax: (513) 538-5883.

Name _____
Address _____

TURKEY
The Centre of World History.

Cave Dwellings, Cappadocia.



To the modern traveller it's an enchanted landscape of sweeping ridges and stone-carved dwellings. To the early Christian, it was home.

For more information about our complete line of Cellular Products, from entry level analogue to sophisticated digital phones, call us at (905) 427-6654.